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Hongkong Daily Press.

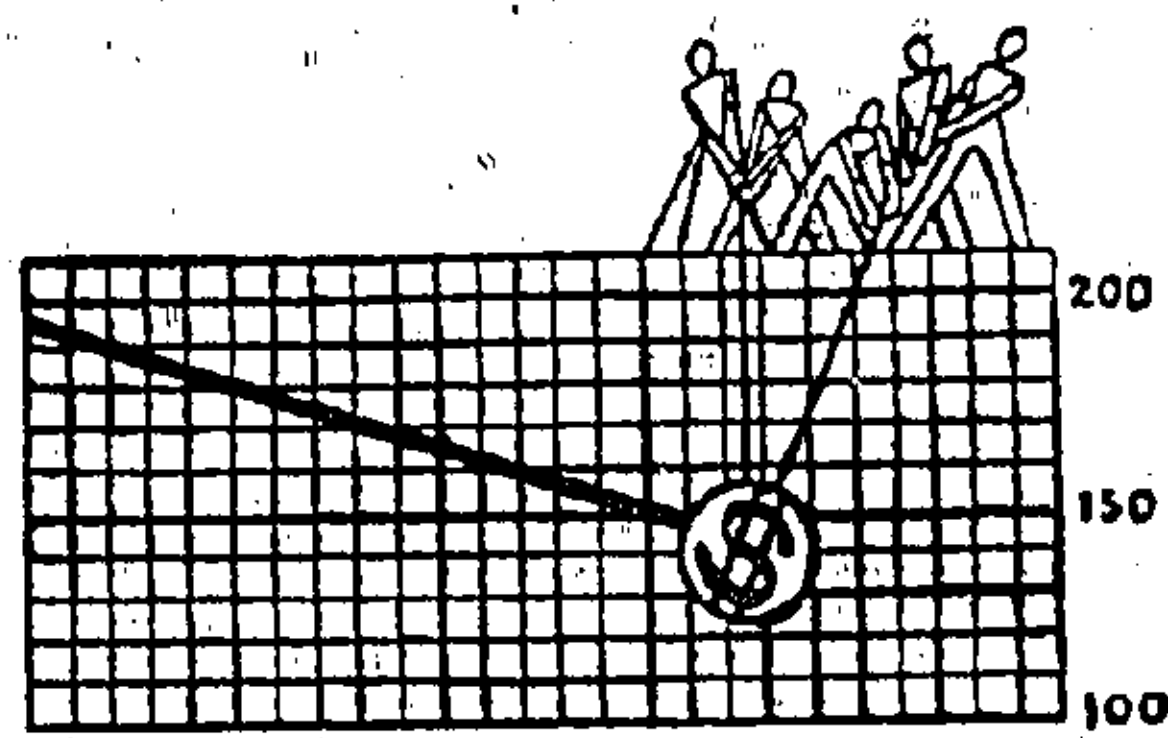
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EXCURSION

CURTAINED SAILINGS

MONDAY, 23rd MARCH, 1936.

From Hong Kong: 8.00 A.M. only.

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Hector: Cat About Town
Notorious Gossip

Professor: "And what on earth
made you write a paragraph like
that?"

Student: "I quoted it, sir, from
Dickens."

Professor: "Beautiful lines, aren't
they?"

"Mrs. Jones, I'm so sorry I forgot
your party the other day."

"Oh, weren't you there?"

"What is a diplomat?"
"A teacher who can get the
modern youth to take both Latin
and algebra on one programme."

"My dad is an Elk, a Lion, a
Moose and an Eagle."

"What does it cost to see him?"

Wife: "I think you ought to
talk to me while I sew."

Hubby: "Let's change it around
and you sew to me while I read."

Dumb Hunter: "How do you de-
tect an elephant?"

Guide: "You smell a faint
odour of peanuts on his breath."

"Why do you call this women's
club the Charity Circle?"

"My wife belongs and so I get
three evenings a week free."

"Liza, you remind me of a de-
world of brown sugar."

"How come, Sam?"

"You are so sweet and so un-
refined."

Then there's the young lady
who wanted to know, before
taking lesson on the viola, whether
the teacher would guarantee her
job after she became an accom-
plished violator.

Wise Guy: "Is that gray horse
you have there?"

Race Horse Owner: "No, it's a
brown horse, and stop your baby
talk."

Teacher: "Willie, define the
word puncture."

Willie: "A puncture is a little
hole in a tyre, usually found in a
great distance from a garage."

A schoolboy's definition of Leap
Year:

Leap year is instead of its being
the next day on the same day
next year it's the day after.

VIEWS STILL CONFLICT

Powers In Decisive Conference

London, Mar. 18.

While the divergence of British
and French views on the Rhine-
land crisis still persists, it is stated
in French circles that to-night's
conference of the Locarno signa-
tories will be decisive.

No indication of a decision either
way has been given by M. Pierre
Flandin, the French Foreign Min-
ister, but he made it quite clear
that a definite result would be ob-
tained. Whatever decision is
reached, he said, would be entire-
ly under reserve and subject to the
approval of the French Govern-
ment.

At 4 o'clock, the Locarno Powers,
after a brief luncheon adjourn-
ment, resumed their search for a
formula to circumvent the conflict-
ing French and German view-
points. As a temporary measure,
during the negotiations, Great Bri-
tain has proposed, first, that a zone
on both sides of the French and
German frontier be policed by in-
ternational forces, as was the Saar
during the plebiscite, and, second-
ly, that the Franco-Soviet Pact
should be referred to the Hague
for a ruling as to whether it vi-
olated the Locarno Treaty.

It is taken for granted that a
Western European Air Pact will

YESTERDAY'S QUOTATIONS

T.T. ON LONDON.—1/3 1/4 (nom).

T.T. ON NEW YORK.—32 1/2

UNITED STATES IN FLOOD

Worst Disaster of Past Century

New York, Mar. 18.

The flood disaster in the United States in
the past century. Thousands of
square miles in the Eastern states
are submerged and the damage
runs into countless millions of dol-
lars.

At least thirty-four are dead,
twelve of them in Pennsylvania
which is the worst hit state.

Three quarters of the great
Bethlehem Steel works is under
water.

At Wheeling, Virginia, 30,000
persons are homeless as a result of
the sudden rising of the Ohio River
which reached the highest flood
level in history.

The Quehoning Dam in
Pennsylvania is leaking badly and
is likely to break at any moment.
This would be a horror of the worst
description for it would allow mil-
lions of gallons of water to rush
into the valley lands and add to
the weight of the flood.

The Susquehanna River is in-
spate and thousands of people are
leaving their homes in the Bing-
hampton area after fruitless efforts
to stem the rising tide with sand-
bags. Men are still working along
the river, thousands of them trying
to barricade their homes against
the water, working feverishly with-
out intermission in a hopeless en-
deavour to save their properties.

Everyone has been ordered to
leave Farmington Valley, Connec-
ticut where the danger of the flood
is growing more pressing.

Many localities are isolated in
Vermont and the Connecticut River
is transformed into a raging tor-
rent and is still rising. A huge ice
bore is jammed against the Ver-
mont Dam giving rise to the fear
that it may burst.

heuter.

FIRE AND EXPLOSIONS

New York, Mar. 18.

The flood disaster in Pennsylv-
ania grows worse hourly.

The rapidly rising waters, which
are already over 18 feet deep in
Johnstown, scene of the flood ter-
ror in 1889 when 2,300 lives were
lost, have invaded the much larger
and more important city of Pitts-
burgh.

The famous downtown section,
known as the "Golden Triangle" is
deep in water and 700,000 persons
are virtually isolated and without
food and good water. The waters
of the Allegheny River have risen
to the unprecedented height of
forty-four feet and fire has added
to the confusion and danger. Fire-
fighters have to battle the rising
flood water as well as the flames
in their efforts to save immensely
valuable factories from destruc-
tion.

The death toll is mounting hour
by hour, and thousands of terror-
stricken people of the metropol-
itan area of Pittsburgh have been
rendered homeless.

Fire have also broken out in fac-
tories of Etna and Lawrenceville
following explosions caused by the
flooding of boiler rooms and fur-
naces. The oil tanks of the
Waverly Oil Works at Lawrence-
ville, which have been a fire, ex-
ploded with a deafening roar to-
day and blazing oil is spreading on
the flood, causing the fear of still
more frightful destruction and loss
of life.

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be included in the peace structure
at any subsequent negotiations, but
at present it has not entered the
stage.

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DIARY OF LOCAL EVENTS

FRIDAY, MARCH 20

Anniversaries and Holidays.—
St. Cuthbert, Bishop. (a.687).
Auctions.—Household Furnitur-
at Lammert's H.K. Sales Room
2.30 p.m.

Cinemas.

King's.—"Break Of Hearts."

Queen's.—"The Goose And the
Gander."

Central.—"The Crimson Trail."

Oriental.—"The Informer."

World.—"Chinese Picture"

Alhambra.—"Thanks A Million."

Majestic.—"Thundering In The
Night."

Star.—"The Wedding Night."

Lectures.—Rev. H. W. Barnes, at
Helena May Christian Fellowship
Meeting, 10.30 a.m.

Meetings.—Kowloon Chess Club,
5.30 p.m.; St. Andrew's Girls'
Guild, 6 p.m.

Miscellaneous.—Jumble Sale,
Kowloon Union Church Hall, 3
p.m.

Religious.—"Stations of the
Cross," Catholic Cathedral, 5.30
p.m.

Sports

Athletics.—Wantsai School
(Causeway Bay), 2 p.m.

Badminton.—Mixed Doubles, St.
John's v. Fire Brigade; Club de
Recreio "A" v. Chinese R.C.; St.
Andrew's v. Club de Recreio "B";
Sailors and Soldiers' Home v. Tai-
koo R.C.

Hockey.—East Lancashire Regi-
ment seconds v. Hongkong Hockey
Club seconds (Shamshuipo Camp),
5 p.m.

Lawn Tennis.—Open Singles, Lau
Kwong-tsun v. M. W. Lo; Club
Championship, L. Goldman v. B.
O'M. Deane; Club Handicap Sing-
les, M. Pagh v. R. Henry; Club
Handicap Doubles, C. C. Stark
and F. A. Joseph v. T. C. Monag-
han and E. J. McMullen; V. R.
Gordon and A. H. Penn v. H. R.
Butters and D. Macdougall; A. C.
I. Bowker and A. K. MacKenzie v.
G. Marselle and P. F. McCabe;
H. R. McGilchrist and H. L. Tudor
v. A. Brenner and A. Drummond
(Hongkong C. C. Courts), 4.30 p.m.

Snooker.—Steel Coulson League,
Catholic Union v. The Rest (Royal
Navy Yard Police Club), 8 p.m.

Moon.—II Moon, 27th Day.

Sunrise.—6.28 a.m. Sunset.—6.34
p.m.

Tides.—High at 8.06 and 19.01;
Low at 1.35 and 12.40.

SATURDAY, MARCH 21

Anniversaries and Holidays.—
Vernal Equinox (Ch'un-fen). St.
Benedict, Abbot.

Cinemas.

King's.—"Break Of Hearts."

Queen's.—"Mary Burns Fugitive."

Central.—"Sweet Surrender."

Oriental.—"The Informer."

World.—"Chinese Picture"

Alhambra.—"Thanks A Million."

Majestic.—"Thundering In The
Night."

Star.—"The Wedding Night."

Dances.—Wah Yan Past Stu-
dents' Association Annual Ball at
Hotel Cecil, 8 p.m.

Meetings.—Annual of the Hong-
kong and Yau-mat Ferry Co., Ltd.,
at Co.'s Office, Jordan Road Ferry
Pier, 10.30 a.m.

Miscellaneous.—Claims against
the Estates of Samuel Baker and
Courtney Carling due; Annual In-
spection of Hongkong Volunteer De-
fence Corps.

Social.—Craigengowrie Cricket
Club Whist Drive, 9 p.m.

Sports

Cricket.—Second Division, Uni-
versity, v. R.A.M.C. (L).

Football.—First Division, South
China "B" v. Chinese Athletic
(Caroline Hill), 4.30 p.m.

Moon.—II Moon, 28th Day.

Sunrise.—6.27 a.m. Sunset.—6.34
p.m.

Tides.—High at 8.24 and 20.04;
Low at 2.10 and 13.40.

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writes Miss J. C. J.

Your health would benefit in the same way from a course of Kalzana. Buy a package of this famous mineral food, and enjoy vigorous care-free health again!

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THE MINERAL FOOD FOR BETTER HEALTH
Obtainable at all Chemists

A NAVAL ESCORT

London, Mar. 18.

The Parliamentary Secretary to the Admiralty, Lord Stanley, at the House of Commons question time said that he hoped the ship conveying back to China the art treasures on loan from the Chinese Government for the recent exhibition of Chinese art at Burlington House would be escorted by ships from the British Navy for most of the voyage.—*British Wireless.*

FRENCH ELECTIONS

Paris, Mar. 18.

The French Parliament rises tomorrow and will not again meet until after the election, the first ballot of which takes place on April 26.

The results of the London conferences will be read in the House but no debate thereon will be held.—*Reuter's Bulletin Service.*

NEW ATTORNEY GENERAL

London, Mar. 18.

Sir Donald Somervell, O.B.E., K.C., has been appointed Attorney General in succession to Sir Thomas Inskip, who has been appointed Defence Co-ordination Minister.

The new Attorney General has been Solicitor General since 1933. He was educated at Harrow and Magdalen College, Oxford, and is a Fellow of All Souls College. He served throughout the European War.—*Reuter.*

LABOUR TO DISCUSS THE SITUATION

London, Mar. 18.

The executives of two Labour organisations, the International Federation of Trade Unions and Labour, and the Social Federation, are meeting in London to discuss the international situation. With the exception of Germany, Russia and Italy, almost every country is represented.

After separate meetings, the two executives will hold a meeting together to-night.—*Reuter's Bulletin Service.*

SPRING Training

PARIS FASHIONS

Surprises For Spring
And Summer

The spring and summer fashions are being shown daily. Molyneux is using lovely materials in soft colours. For the day there are simple little dresses of summer-weight woollens, silks, linen, which have tight skirts, loose coats, boleros, capes, all cut and worn with studied simplicity. Grey, black, mauve, white are the colours he suggests for spring; for summer, two or three shades of cool green, and a good deal of yellow. Green jackets, yellow coats, go over black, navy-blue, white dresses. Necklines by day are high, with demure, lingerie collars; shoulders are wide and, for the most part, smooth, and some have sleeves gathered in so as to give a stronger, wider line. Quiet distinction is what Molyneux aims at, with a point of audacity in the hat, whether it be toque, beret, or boater.

EVENING DRESSES

Evening dresses are lovely in line and texture. Many carry trains falling loose from below a very low waistline. The shoulders are bare, cut low back and front to a point or square. Wide, long scarves may drape the shoulders and fall long about the figure. They are usually in chiffon. Bunches of yellow and white tulips are thrust into the belt at the side, plissé skirts fall in slim lines, sashes clip the hips and drop in long trains behind, at the side, or, as on morning dresses, tie at the side in big bow and ends.

Schlaparelli has a hundred and one clever inventions in her collection. She has made a great many tailored coats and skirts which have the correctness of a riding habit, and with them she puts a felt bowler hat about which she swishes a filmy veil. Hair nets of chenille hold the chignon, and the result is a neat, clean-cut silhouette from head to foot, the feet being also clothed in shoes designed by the dressmaker and made by Hunding. They are comfortable and well ventilated, so that in summer heat the feet do not suffer. Coat and dress fasteners include red leather lobsters with a big round bag to match, brown bats with outspread wings, and a bag of the same colour in the hand. There are beaded belts with a vanity case hung on a hook.

PREVAILING DECORATIONS

But the prevailing decorations are of Valentine inspiration. Tight little posies of multi-coloured flowers are set in what look like perforated paper frames—probably they are of glazed linen. As ornaments down the front of a bodice they are the size of a big flat mushroom; as fans on a bridesmaid's bouquet. Embroideries, frillings, flutings, box-pleat ruching, used in this collection, are all of the Valentine period. The silhouette is called "parachute," since the skirts widen as they near the feet, where they disclose a fussy petticoat edge. The waistline is low in little dresses, high in long coats, and in the evening it is hardly discernible, so close-fitting are the dresses, but the inclination is towards a high line.

Long satin evening coats are worn in light, bright colours. Colours which run through the collection are spice brown, oyster white, violet, lilac, lobster red. The printed crepes and satins are amusing. They show street scenes, monuments, stamps, playing cards; they tell a fairy story, have a crazy patchwork pattern, and are gay in colour. For ceremonious parties there are richly figured satins cleverly cut and draped, violet and oyster white, oyster white and purple brown, white and black designs. The necklines of these dresses are low back and front. In detail and on broad lines, the Schlaparelli collection is full of surprises.



NEW YORK'S FEMININE FASHIONS



The newest trend in the American women's dress, writes a New York correspondent, is towards something utterly feminine in the way of accessories. There is much more emphasis on details. Furs, jewels, scarves, flowers—all the things that are essential attributes of a more feminine epoch are of supreme importance to the smart ensemble of to-day.

There are very lovely sets consisting of hat, scarf, posy and gloves, made of soft suede, in brown, blue-grey, wine and rust, which look stunning worn with a tailored suit.

FRILLY LACES

Then there are the more feminine and ever popular jabots of frilly white lace, worn high up the neck, and matching cuffs, hanging low over the hand. These are usually worn with otherwise severe afternoon dresses.

The influence of the Chinese Exhibition has crept over to America. There are enormous bracelets of beaten silver, patterned with huge stones of topaz, coral or turquoise, some of them a most six inches in width.

All kinds of barbaric jewellery are in vogue. Many chic women are having these bracelets usually made in pairs, specially designed by their favourite jeweller with stones to match their gowns. A single large clip of the same design completes the set. No necklaces are worn with this type of bracelet.

A variation on this theme is the new ear-ring shaped like a crescent and made of pink pearls, with a long single strand necklace to match. These strike a more Arabian note.

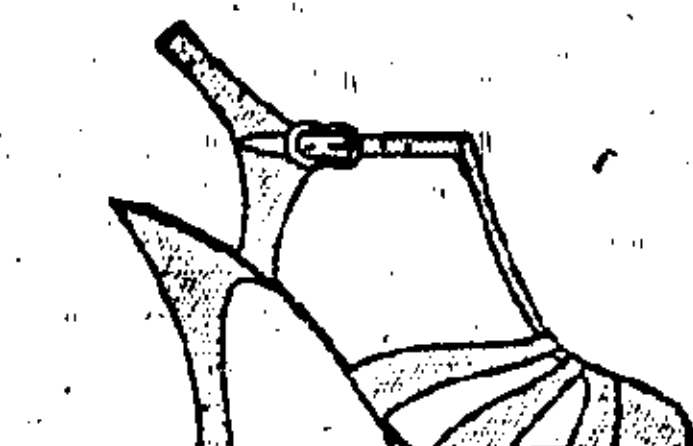
STANGE BUTTONS

From forest, field and sea come the new buckles, buttons and clips worn by the chic New Yorker. Calf, ostrich or alligator are all pressed into service.

It seems hard to imagine muscels and sea urchins and other sea-dwellers as dress trimmings, but some of the shop's with delicate mother-of-pearl shadings are so lovely that they are an ornament as well as a useful commodity on any dress.

Among the most original buttons are the little flat plates of barley, coffee beans and melon seeds. These are treated with a solution which hardens them so that they can stand all the wear that a button normally receives.

From the forest come prickly burr studs, and buckles and clips made from a tropical tree called Brazana. From the field comes a daisy button made of pumpkin seeds, acquired and mounted on a dark ground.



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in fashion and the
newest effects when
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by—

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SPECIAL NUMBER OF VOGUE, TOO!

Yes!—It's the Spring Fabrica Number, one that this season is of vital importance to every woman. Vogue stresses the colour aspect of the new fabrics... soft, subdued interpretations of the Chinese theme that are miraculously in accord with our present feeling for the quiet in dress. Vogue tells you, too, what textures will be smart. Do you know the new mixture fabrics... wool backed with linen, wool and viscose, wool and mohair? You can see them in actual colour photography in Vogue, and find out, also, where they can be obtained. Passing on to silks, you'll find out that the Chinese influence is apparent here, too, though again more often in colour than in design. Prints will be worn again—flowered, spotted, scrolled—and what you will—but you must be sure to choose the appropriate type of print for the purpose you have in mind. Vogue shows you exactly which is right.

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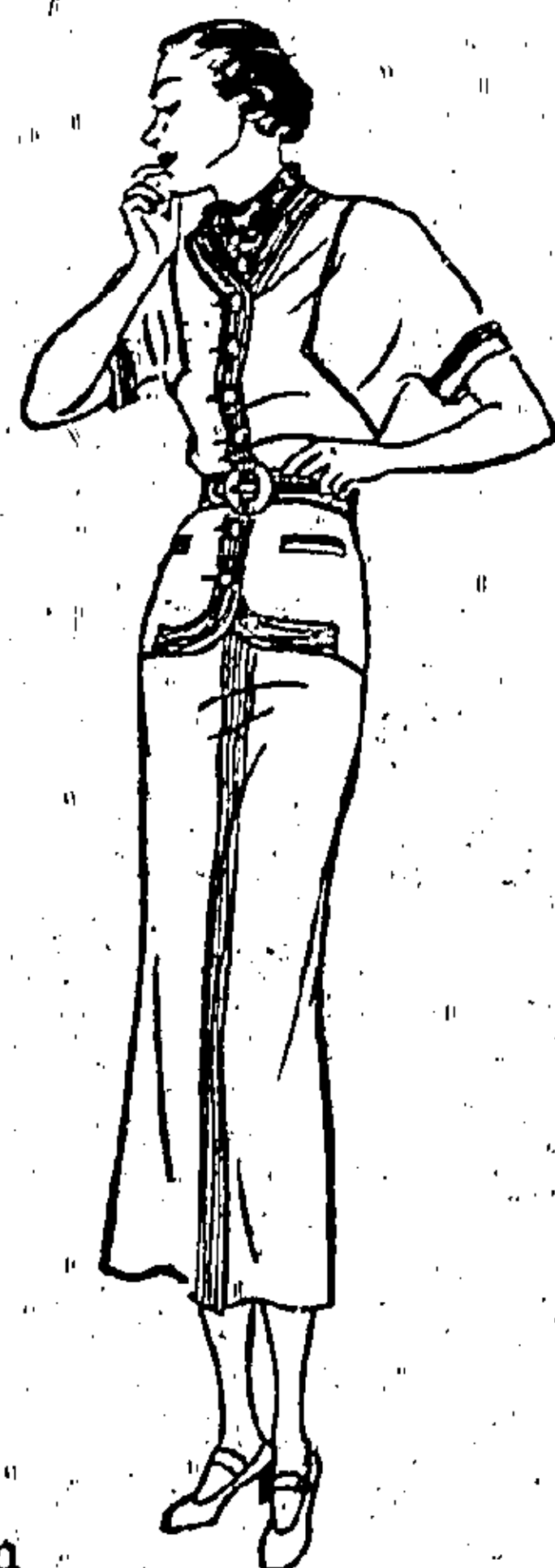
New Spring Dresses

and

Linen Suits.

Snappy Summer
HATS.

Ladies' Salon

Lane, Crawford, Ltd.**Fashion**
→ **PRE-VIEW****ROUND THE
SHOPS****LANE, CRAWFORD'S**

Linen Suits are going to be very fashionable this summer. The ladies department of this store are showing some very striking models in real Irish linen, in two and three piece styles. One model in brown linen combined with white has a jacket to match the dress. Others in beige white and various shades of two piece styles are also very attractive. New Summer hats are on show as well and many smart models are in this lot.

MAIZEE'S

Have received a new shipment of summer and spring gloves and they have also a very big assortment of lovely scarves with handkerchiefs to match these accessories and help to finish ones outfit.

Another line are kid belts in various summer shades, and a very fine selection in handbags.

MAYOS

Are showing new hats for the coming summer, mostly in dark colours of straws and fabrics, in the latest shapes imaginable.

RIVELLE

Have received another shipment of new goods and there are a number of suits in shark-skin cloth in white pale blue and beige.

GORDON'S

The ladies shoe specialist store are showing new American sandals for the summer in various summer colours, and Stunning new styles.

**FASHIONS AT THE FAIR**

At the British Industries Fair at the White City there is a Mannequin parade of spring and early summer frocks and fabrics that is of great interest to all women who like to keep an eye on fashions. It shows the work of many of the foremost dress designers who design in this country—many of whom have never before exhibited their models at the Fair—and as a result the Parade is of far greater fashion importance than ever before.

PROMINENT DESIGNERS

Among the designers are Schiaparelli, Molyneux, Isobel, Reville, Norman Hartnell, Lachasse, and Norman Edwards.

Isobel, of Regent-street, is showing eight models ranging from the trimmest of flannel suits to a lovely evening gown, and all made from Courtauld's fabrics incorporating the new patent fibre yarn called Fibro. Fibro is spun into the various types of yarn—knitted or woven wools and silks—and produces an exceptionally soft appearance and "feel." As a result they tailor perfectly and drape equally well.

One delightful two-piece ensemble created by Isobel has a dress three-quarters of which is made from a lovely green hopsack with a black overcheck. This is appliqued—to give a tunic effect—on to a skirt of a new reversible satin. The three-quarter coat is made from the same satin used on the dull side—it has an almost marocain-like texture—and is faced back with the green material.

A white evening gown is made from another type of reversible satin and has finely-pleated cape-like sleeves. The front of the graceful skirt is pleated in the same manner.

Molyneux has designed a morning ensemble made from Celanese chevron tweed—a new product made by British Celanese, Ltd. A tailored dress cut on simple slim lines is matched by its delightful swagger coat showing the new sleeves—square-topped and mounted low on the shoulder.

Reville contributes a model appropriately called "Hanover Square," and destined for an important evening occasion. It is made from Celanese crepe Kapre and is hand-embroidered with specially cut and graduated circular jet sequins.

FABRICS FOR SUMMER TIME

Other new materials produced by the same manufacturers have been used for sports wear and summer sun-dresses. Gay checks and bold pirate stripes will be seen on the world's beaches this year. A summer crepe in off-white with a broken red and blue stripe makes a charming tailored frock and is bright with red buttons and belt, and a white napped banded with red and blue.

Machinka, of 36, Dover-street, included in their advance dress collection a special section devoted to Court Mourning. Many of the evening gowns are made from heavy white fabrics with black introduced in belt or shoulder-straps. Where black is used for the evening it is invariably lightened by the use of a helpful material—filmy laces, delicate nets, and floating chiffons relieve the sombreness that would be inseparable from unrelieved black in heavier fabrics.

**ACCESSORIES AFTER THE
FACT**

The fact—your frock, coat or suit. The accessories—any one of a number of gadgets you'll now find in the shops, all destined, in some mad way, to add to your chic. "Change your accessories and you change your frock" has always been one of Vogue's Maxims, and in this issue you are shown what the Paris dressmakers are using in the accessory line. Some are quite easy to copy at home, too!

A lady was once, lamenting the ill-fortune which seemed to attend her affairs, when a friend, wishing to console her, bade her "look upon the bright side."

"Oh," she cried, "there seems to be no bright side!"

"Then polish up the dark side!" was the reply.

Mau's
HONG KONG SHOPPEJust received
a very smart selection
of

Summer Hats

Orders for Hats Taken.

In Straws
and
Fabrics.Salt is always a problem, especially
when the weather is damp. But
that problem is forgotten once and
for all if you keep dry,
free-running Middlewitch
Salt in your kitchen.**Middlewitch
SALT****THE PERFECT
FOOD
DRINK**
**Cadbury's
BOURN-VITA**Is Made With
**FRESH EGGS
FRESH MALT
FULL CREAM MILK
SMOOTHEST CHOCOLATE**

IT IS RICH IN VITAMINS A, B and D.

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Diastatic power of BOURN-VITA	48.3
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Cadbury's

Hot or Cold

BOURN-VITA
for sleep and energy

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HOUSE TO LET.

TO LET-From First April-Flat No. 2 "Kellott House", 114, The Peak. Four Rooms, Flush System, Separate Kitchen, Servants' Quarters, All Modern conveniences. Apply DEACONS. [1055]

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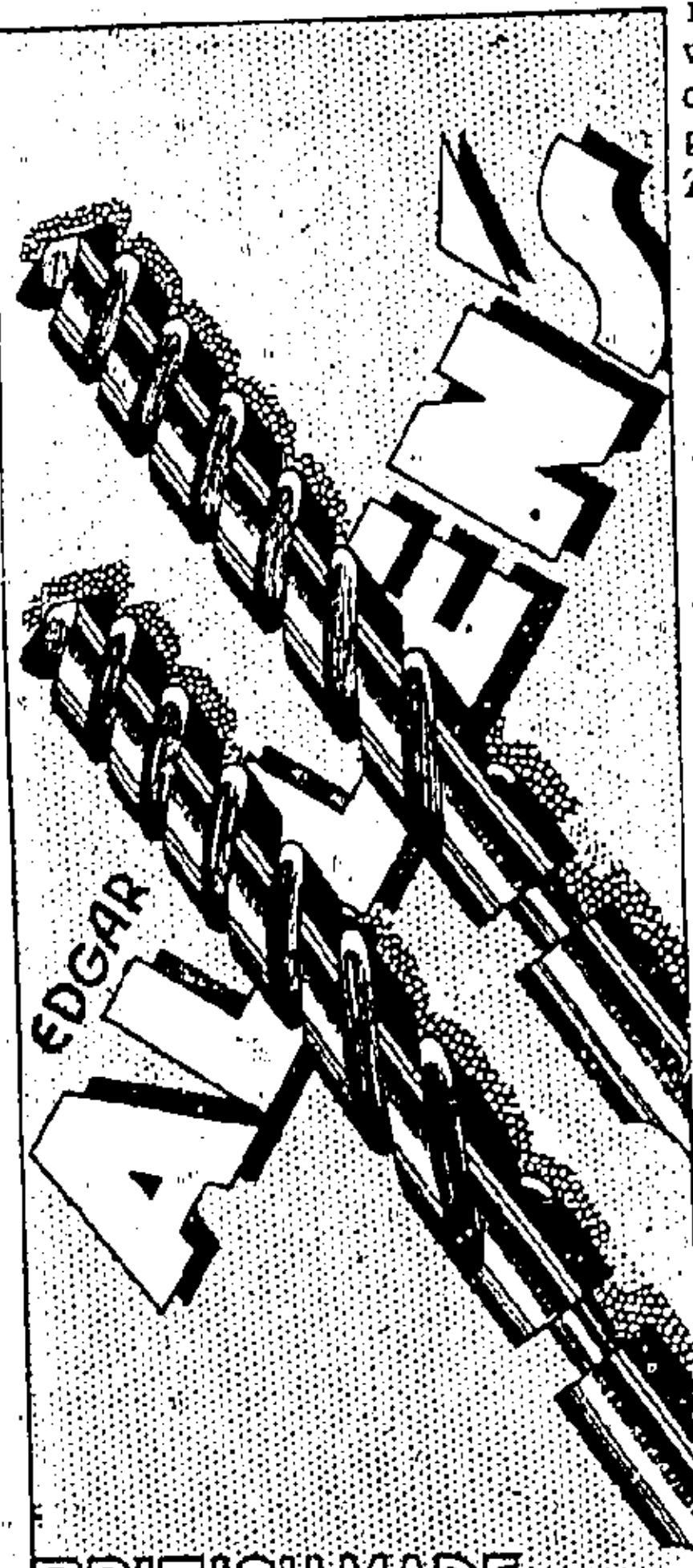
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PRECIOUS STONES FOR SALE-Offers are invited for a limited stock of Fine-coloured Jade, Chalcedony and Amethystine, suitable for making Cuffs, Jewelry, Ornaments etc. for Ladies & Gentlemen. Certified by Hong Kong Government Analyst. For prices and particulars apply to: Mr. TSE SHU MAN, c/o Hong Kong Daily Press or Mr. TSE TAN TAI, Owner of the Mines. [1056]

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MUI TSAI PROBLEM

Malaya's Defence Contribution

London, Mar. 18. In the House of Commons in answer to a member's question, Mr. J. H. Thomas announced the appointment of a commission consisting of Sir Wilfrid Woods, late Financial Secretary in Ceylon, Miss Pleton Turbervill and Mr. C. A. Willis, late of Sudan Civil Service to visit Hong Kong and Malaya to investigate the "mui tsai" problem and to make recommendations. Mr. Thomas also reported at question time that the Straits Settlements Legislative Council had decided to make for the third year in succession a contribution to the cost of the imperial defence. In expressing warm appreciation Mr. Thomas mentioned that the gift would amount to about £58,000. *British Wireless.*

SPANISH ARMY COUP RUMOURS REFUTED

(Hong Kong Daily Press Special) Madrid, Mar. 18. Persistent rumours that the Army is contemplating a "coup d'etat" are emphatically denied in a statement published on Wednesday by the War Minister, who stresses that the discipline and loyalty of the Army to the Government is completely preserved in the whole Army, from the private to the highest officer. The Government, however, having observed that some officers during the last few days had been subjected to unjust attacks, took this opportunity to declare that the officers and men of the Spanish Army have nothing to do with the political controversies, and deserve the respect and appreciation of their fellow-citizens for their loyalty and spirit of self-sacrifice. Since the members of the armed forces constituted the surest support of the Republican State, only criminal intention to undermine their morale, could be the motive for the circulation of the rumours, and the Government would proceed with the full power of the law against persons found guilty of such treasonable action. *Transocean News Service.*

ROME BULLETIN

(Hong Kong Daily Press Special) Rome, Mar. 18. The official war bulletin No. 158 states that two Abyssinian airplanes of the "Potez" type were discovered by Italian airmen on the Clodia Amadi Plain, south of the lake Ashangi, despite the fact that they had been heavily camouflaged against observation. Disregarding the violent fire from anti-aircraft guns, continues the report, the Italian pilots descended to a low altitude, from which they bombed and destroyed the enemy planes. Further large numbers of Abyssinian military leaders are said to have made their submission, among them being the former Governor of Ambara. Otherwise nothing of importance occurred on either front. *Transocean News Service.*

EUROPEAN CRISIS

(Hong Kong Daily Press Special) Paris, March 18. The only concrete development of the situation in London, as reported by the papers here, is that in as far as one can speak of a change in the French attitude at all, there seems to be an abandonment of the plan that sanctions should be imposed on Germany. The French delegation clearly realise, in the face of opposition not only by Britain, but by a great many other states, the impossibility of organising any such action against Germany, states the press here. Considerable space is devoted to the general outlines of the plan, which it is said the French delegation will put forward to settle the whole cluster of the Locarno problems, but whether it runs parallel to the British plan referred to in the English press, or is entirely independent, is not indicated. Jules Sauerwein in the "Paris Echo" confirms that a change in the French attitude has taken place, declaring that the juridical

HITLER REGIME ACHIEVEMENTS

East Prussia In High Spirits

(Hong Kong Daily Press Special) Koenigsberg, Mar. 18. The ancient East Prussian capital was in high spirits all Wednesday, in anticipation of Chancellor Hitler's visit to address the nation from the outskirts of the Reich, when he would give an account of what the National Socialist Party had done since it was entrusted by the nation 3½ years ago with the mandate of rescuing the German nation from an economic plight without precedent. Regional Governor Koch, over the wireless, announced that 13,000 towns and villages in the outpost province were taking part in a wireless "hook-up," so that in East Prussia alone more than a million listeners would hear the Fuehrer's address. In addressing his listeners, the Fuehrer asked his hearers whether anybody was prepared to assert that the National Socialists had not kept all they had promised before their advent to power. He then reviewed briefly the concrete achievements of his regime and then turned to speak of the never-ending struggle of himself and the Party as trustees of the nation's future.

SACRIFICE OVERLOOKED

"I must still fight for Germany, not because I am ferocious, but because I am convinced that there is no other way. He who is weak among the nations is more popular than he who is strong. In this conflict I might have said we will ignore the alliance between France and Russia, but then the danger would have threatened the nation later, perhaps only in another generation. In signing the Locarno Pact, Germany renounced its military sovereignty over a territory containing almost a quarter of the whole German people, but even this did not prevent one power from suddenly entering upon a new military alliance that upset the European equilibrium and completely changed the position of an honest partner to the Locarno Treaty." "I believe that it will be clear to the other statesmen and peoples that a nation as unified as the German nation is to-day, cannot be treated any longer as has been the case for the last 15 years." "The rest of the world must also recognise that the Treaty of Versailles is not only defunct because another regime is in power, but because it has to do with quite another people, a people of 68 millions, that offer the hand of reconciliation!" *Transocean News Service.*

ETHIOPIAN COMMENT ON ITALIAN PROTEST

(Hong Kong Daily Press Special) Addis Ababa, Mar. 18. The Italian protest to the League of Nations, complaint that Abyssinian troops had attacked and decimated a troop of workmen making a military road and terming this an "inhuman act," intruding all rules of warfare, has caused greatest astonishment and indignation amongst officers and Government officials here. "Abyssinia" cannot understand why a military action, which they hold to be in accordance with the lawful custom, can be made the subject of a protest by the Italians, who since the beginning of the war have daily bombed open towns and villages, killing women and children, as well as bombing Red Cross ambulances and dressing stations. "It was only on Tuesday," it is added, "that a Fokker plane, belonging to a Swedish Red Cross was bombed by Italian airplanes from an altitude of 600 feet, and badly damaged." Messages from the north front report that heavy fighting is now in progress in the whole sector from Aksum to Makale, including the Tembien territory, and that by Wednesday afternoon the situation of the Abyssinian forces which are chiefly composed of Ras Kassa's troops, was extremely satisfactory. *Transocean News Service.*

scruples and inner-political illusions were dropped, so that the whole attention might now at last be concentrated on the problem of making Europe secure. *Transocean News Service.*

ONLY TENTATIVE PLANS

Locarno Discussion Resumed

London, Mar. 18. Last night's discussions between the Locarno Powers other than Germany, which were interrupted for more than two hours at 12.30, were resumed to-day at 11.00, and continued with a brief interval for lunch until just before this afternoon's session of the Council at 3.30. Messieurs Flandin and Van Zeeland did not attend the Council, but continued the conversations with similar views to further facilitate the wider discussions, at the resumed meeting of the Ministers of the four powers, fixed for tonight at 10.00. In the efforts which are being made to find agreed bases for the settlement of the present difficulties, various suggestions are being brought under review, and from time to time each delegation has advanced proposals for consideration, but attribution of the specific drafts to one or other delegation, with seductive accounts of their contents, has led and is liable to lead to considerable misconception. The negotiations cannot be said to have reached the stage in which any scheme under discussion, can be regarded as more than tentative. *British Wireless.*

H.M.S. WESCOTT'S EXPLOSION

One Killed: 10 Injured

London, Mar. 18. The Admiralty has issued the following statement this evening on the explosion in the British destroyer in the Mediterranean. The Admiralty regrets to announce while His Majesty's ship Westcott was carrying out exercises an explosion occurred which resulted in the death of one able seaman. One Warrant Officer and nine ratings were injured but are in no immediate danger. *British Wireless.*

VON RIBBENTROP ARRIVES

Late For First Meeting

London, Mar. 18. The German delegate to the League Council, Von Ribbentrop, accompanied by his staff arrived in London this afternoon, too late to attend to-day's meeting of the League Council, but he will be present when the Council reassembles at 10 o'clock to-morrow morning. At to-day's public session Mr. Anthony Eden spoke and was followed by the Spanish, Italian and Roumanian delegations. The German representative is expected to speak early in to-morrow's proceedings. *British Wireless.*

HOME RUGGER

London, Mar. 18. Bristol scored a convincing win against Clifton in a rugby match to-day, totalling 13 points without response. Royal Air Force and Civil Service match arranged to be played at Helton was postponed, but in another game, Bridgend beat Neath by 11 points to five. *Reuter.*

RESCUE OF AIRPLANE PASSENGERS

(Hong Kong Daily Press Special) Vienna, March 18. The passengers of the Vienna-Rome plane, which was forced to make an emergency landing on the mountains of the Carinthian Alps, were brought to the Ebers train railway station by the rescue party, and from there to Klagenfurt. When medical services were obtained, it was found that contrary to the first reports, the injuries were more serious than had been supposed. One passenger an Italian travelling businessman from Rome, suffering from concussion of the brain and headwounds, and a broken jaw, the wireless operator from a broken leg and the pilot and the mechanic from injured limbs. The only person quite unhurt was the second passenger. After being rescued from their precarious position, the party related that they had suffered agonies during the night spent in the dark in the smashed airplane,

RARE MUSICAL TREAT

At The Helena May Institute

Further laurels were added to the Helena May yesterday evening when they augmented to their already long list of Concert successes. Though strictly speaking it is to the various artists that the successes of the concert are due, nevertheless, it is to the Committee of the Institute that the thanks of Hong Kong's musical public should be tendered. The yeomen work of the arrangements, the impeccable choice of talent and the splendid variety of the musical offerings, are things for which we should be very grateful. Yesterday evening we were again treated to some very fine singing, violin and pianoforte solos. Elsa Alves, the well-known Soprano of local radio and concert renown, charmed us once more with her exquisite voice. Especially fine was her singing of "The Gypsy and The Bird." In this item she was accompanied on the flute, played by Jack Sulter, which accompaniment contributed greatly to the beauty of the song. Her splendid renderings of "Ave Maria" and "La Serenata" (both by Tosti) were a most appropriate climax to a very good concert.

OTHER SONGS

The rich contralto of Helen Lockhart was heard to great effect and was much appreciated by her audience. She sang a number of songs to choose from which, any one for special mention, would be invidious. An unusual note was struck when she sang "From the Tomb of an Unknown Woman," a song which, though a contrast to the usual run of concert songs, was one of great charm—charm that was fully exemplified by her voice. Solomon Baird on the violin gave a good account of himself, showing skill and technique that was in full accord with the high standard of the concert and music. His best, I think, of last night were "Czardas" and "Meditation." The one gave scope for his excellent technique and the other offered the opportunity of musical emotions and that tender sympathy that is so often associated with the violin.

THE PIANO OFFERINGS

Tony Lorenzo at the piano, though last to be mentioned, was certainly not least in his contribution to the musical talent which his fellow-artists had displayed. The fine, but heavy classics of Chopin were dealt with with remarkable skill and understanding. It is not easy to appreciate Chopin unless one has had some sort of musical education, yet I am sure the least of us would be able to appreciate Chopin's Compositions as they were so played last night. Finally, one can only conclude by paying tribute to those artists who were, more or less, in the background—the accompanists. One is often inclined to overlook their efforts in appreciation of the soloists, singers or instrumentalists. Irene Miller, Genevieve Evell and Fred Alves were the accompanists during last night's concert and very creditably they performed their share of the entertainment.

PROGRAMME

- Violin Solos:
(a) Melodie Gluck-Kreisler
(b) Czardas Monti
- Contralto Solos:
(a) In Questa Tomba, Beethoven
(b) Pietà, Signor Stradella
(c) "Che farò senza Euridice?" (Orfeo) Gluck
- Pianoforte Solos:
(a) Polonaise in C Minor, and
(b) Two Preludes Chopin
- Soprano Solos:
(a) The Gypsy and the Bird, and
(b) La Capinera, Julius Benedict
- Violin Solos:
(a) Meditation (from Thaïs) Massenet
(b) Canzonetta (from the Concerto) Tschalkowsky
- Contralto Solos:
(a) Dream Valley Quilter
(b) From the Tomb of an unknown Woman (Songs from the Chinese) Bantock
- "When Childer Plays" Walford Davies
- Pianoforte Solos:
(a) The Spinning Wheel Raff
(b) Danse Creole Chaminade
- Soprano Solos:
(a) Ave Maria, and
(b) La Serenata Tosti
- "REKNIT"

all huddled together for warmth and not knowing whether help was on the way. All injured were conveyed to the Klagenfurt Infirmary for medical attention. *Transocean News Service.*

TO-DAY'S RADIO PROGRAMMES

Broadcast by Z.B.W. On 355 Metres

- 12.30 to 2.15 p.m.—European recorded programme.
1 p.m.—Local time and weather report.
1.30 p.m.—Reuter Press Bulletins. Rugby Press news, etc.
2.15 p.m.—Close down.
4 to 7 p.m.—Chinese programme.
6 to 8.30 p.m.—Children's Studio Concert.
7 to 11 p.m.—European programme.
7 to 7.17 p.m.—"Escapes" (Libert) played by the Orchestre des Concerts, Straram.
7.17 to 7.30 p.m.—A Recital by Frank Titterton (Tenor)
1. In an Old Fashioned Town (Squire).
2. My Dear Soul (Sanderson).
3. Asthore (Bingham).
4. Beauty's Eyes (Tosti).
7.30 to 7.50 p.m.—Hawaiian Music
Sweet Hawaiian Maid (Johnson).
Hawaiian Paradise (Owens).
A ekoki.
Hawaiian Love—Waka.
Oh! Rosalita.
Hawaiian Stars are Gleaming.
8 p.m.—Local time and weather report, closing local stock quotations.
8.05 to 8.30 p.m.—Song Memories
Tunes of not-so-long-ago.
The Japanese, Sandman.
Alexander's Ragtime Band.
Irving Berlin Walz Songs Medley.
8.30 to 9.20 p.m.—A Relay from Daventry
8.30 p.m.—The B.B.C. Dance Orchestra, directed by Henry Hall.
9 p.m.—Daventry News Bulletin (Copyright by Reuter).
9.20 to 9.30 p.m.—"C. B. Cochran Medley."
9.30 to 9.40 p.m.—"Archibald Joyce" Waltzes (arr. Debroy Somers).
9.40 to 10 p.m.—From the Studio
A Jazz Piano Recital by Doreen Ma.
PROGRAMME
1. Believe it Beloved.
2. My Buddy.
3. If it isn't Love.
4. Sweet Sue.
5. Pardon My Love (by request).
6. East of the Sun.
10 p.m.—Big Ben.
10 to 11 p.m.—Dance music.
11 p.m.—Close down.

BERLIN PROGRAMME

- 4.50 p.m.—Call DJB, DJN (German, English).
German Folk Song.
Programme Forecast (German, English).
5 p.m.—Let us sing a Folk Song together.
5.15 p.m.—Topical Talk.
5.30 p.m.—News in English.
5.45 p.m.—"The Barometer is Rising."
Humorous Musical Anecdote of Springtime. Text by Herbert Witt, Music by Guenther Neumann.
6.45 p.m.—News in German.
7 p.m.—Concert of Light Music
8 p.m.—News in English.
8.15 p.m.—Concert of Light Music (continued).
9 p.m.—Close DJB, DJN (German, English).
9.05 p.m.—Call DJA, DJB, DJN (German, English).
German Folk Song.
Programme Forecast (German, English).
9.15 p.m.—Letterbox for Dutch East Indies
9.15 p.m.—News in German on DJA, DJB, DJN.
9.30 p.m.—Let us sing a Folk Song together!
9.45 p.m.—Topical Talk.
10 p.m.—News in English on DJA and in Dutch on DJB, DJN.
10.15 p.m.—To-day in Germany. Sound Pictures.
9.30 p.m.—"The Barometer is rising." Humorous Musical Anecdote of Springtime. Text by Herbert Witt, Music by Guenther Neumann.
Direction: Ernst Wilhelm.
11.30 p.m.—Works for Clavicorn, Cembalo and Piano.
Eta Harich-Schneider.
12 midnight—Close DJA, DJN (German, English).

RADIO MANILA

- 6.30 a.m.—Breakfast Hour of News and Music—English and Spanish Current. Events and Vau-deville of the Air conducted by Don Alva. Morning Exercises by Prof. G. T. Suva.
7 a.m.—Sign Off.
8 p.m.—Are You Listening? Conducted by Bernie Nolasco.

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AMNESTY PROMISE

(Hong Kong Daily Press Special) Jerusalem, Mar. 18. Before leaving for France, the French High Commissioner, M. de Martel promised to try and persuade President Lebrun to sign a decree of amnesty for Druse, leader of the 1925 revolt.

6.20 p.m.—Spanish Information Period.
6.35 p.m.—English Information Period.
6.55 p.m.—Stock quotations, through the courtesy of Swan, Culbertson and Fritz.
7 p.m.—Jascha Heifetz, violinist.
7.15 p.m.—"Music in the Air with Mai Partridge."
7.30 p.m.—Philo-Frigidaire Presentation featuring "Tarzan of the Apes."
7.45 p.m.—Elizalde y Cia. Programme.
8 p.m.—Hispania.
8.45 p.m.—Stock quotations and local market reports.
9 p.m.—Hispania—Zarzuelas.
10.30 p.m.—Sign off.

SELECT ENTERTAINMENT QUEENS

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KAY FRANCIS
THE GOOSE AND THE GANDER
A Warner Bros. Picture
GEORGE BRENT • GENEVIEVE
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THE HEART-CRUSHING POWER
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TO-DAY AT THE CINEMA

Hong Kong

KING'S:—
"Break of Hearts"
QUEEN'S:—
"The Goose & The Gander"
ORIENTAL:—
"The Informer"
CENTRAL:—
"The Crimson Trail"

Kowloon

ALHAMBRA:—
"Thanks A Million"
MAJESTIC:—
"Thundering In The Night"
STAR:—
"The Wedding Night"

Coming

KING'S:—
"Ah Wilderness"
QUEEN'S:—
"Mary Burns Fugitive"
MAJESTIC:—
"In Caliente"
STAR:—
"Bonnie Scotland"
ALHAMBRA:—
"In Person"
CENTRAL:—
"Sweet Surrender"



Gary Cooper and Anna Sten in
"The Wedding Night"
Showing at the Star Theatre
to-day.

"WEDDING NIGHT"

Gary Cooper discards his familiar role of soldier and Anna Sten becomes a modern American girl in Samuel Goldwyn's production of "The Wedding Night," which begins a two-day run at the Star Theatre to-day.

The film, a dramatic romance, depicts a situation familiar to all Americans—the revolt of the younger generation against the dictates and commands of the older generation.

Cooper, as a famous author whose ability has been lost in the mad shuffle of New York parties, drinking and night life, goes to his Connecticut home to rest and seek inspiration for a new book. He meets and falls in love with a neighbouring farm girl, played by Anna, who looks after his home when his luxury loving wife leaves him to return to gay New York.

The author and the girl realize they must remain silent because he is married and she is engaged to a man selected by her father, whom she does not love. Facing a life of drudgery, she revolts against the blind tradition of her parents.

Siegfried Rumann appears as her father, Ralph Belamy as the sturdy son of the soil he chooses for her husband, and Helen Vinson as the wife of Cooper.

King Vidor, whose "Our Daily Bread" recently won the League of Nations gold medal award for the world's best film last year, directed "The Wedding Night," which is released through United Artists.

of a divorced wife to get even with the pretty blonde who stole her husband's heart.

She manoeuvres the second wife and her escort, with whom she is planning a trip to the mountains while her husband is away on business, into her "odge," where they are compelled to spend the night. At the same time she invited the ex-husband to visit her.

With all under one roof, and a robber and his "mole" who have run out of gas, thrown in for good measure, there ensues many lively, exciting and embarrassing situations which culminate in a surprising climax.

A STERN WARNING ISSUED

Two Soldiers Fined

A very stern warning was meted out by Mr. W. Schofield at the Central Magistracy yesterday when two soldiers of the Royal Ulster Rifles Regiment appeared before him on charges of damaging property and striking people, as a result of which a Chinese had to enter hospital for treatment, being given stitches near the temple. The other complainant was a police constable, who was struck on the jaw when he was actually trying to protect the soldier concerned from being molested by the pedestrians who gathered round him after he had created a disturbance.

His Worship said that if an assault of a constable by a soldier happens again, there would not be an option of a fine, but imprisonment for the offenders. The Magistrate further stated that the Police were particularly protected here in the Colony. He concluded that at the same time he made a allowance for St. Patrick's Day when the incidents happened, and so only fined the two defendants. G.E. Ross, 25 years of age, was charged with having damaged a glass pane at 175 Johnston Road to the extent of \$3, the property of Leung Pin Ying on March 17 and with assaulting Lo Chi Kai on the same date.

A. McCarroll, 21 years old, was charged with damaging a glass pane of tram car No. 31 to the extent of \$3 in Arsenal Street on March 17 and also with assaulting Police Constable D181.

McCarroll was ordered to pay \$3 amends to Tramways Ltd. for breaking the glass of the tram car, and fined \$15 for the damage charge and \$30 for the assault. Ross was ordered to pay \$3 amends to the complainant who owned the glass pane, and \$5 to the other complainant who was struck by him. A further fine of \$10 was imposed on the damage charge and \$35 for the assault.

"BREAK OF HEARTS"

At The King's

Really soul-stirring love scenes have been enacted for the camera between Katharine Hepburn and Charles Boyer in "Break of Hearts," now showing at the King's Theatre.

While Boyer, idol of the French stage and screen, has been hailed as one of the great lovers of films, Hepburn never before has been cast in a role offering her so great an opportunity to display her talent for romantic love.

"She combines the fire of an Olga Nethersole with the repression of a Duse," said Philip Moeller, director. "I am amazed at her emotional range from the most intense, lyric abandon to the most subtle nuances." He declares that for beauty and power he does not believe that Hepburn's love scenes with Boyer ever have been duplicated on the screen.

"Break of Hearts" tells the story of a young composer who marries a famous maestro but leaves him when she believes that her love is no longer necessary to him. His plunge to the depths of despair and his regeneration through her love make an enthralling picture. It is a Pimiro S. Berman production for RKO Radio.

THANKS A MILLION

At The Alhambra

With Dick Powell and Ann Dvorak singing and romancing, Fred Allen and Patsy Kelly indulging in a hilarious feud, and Paul Whiteman and his band, Rubino, and the Yacht Club Boys existing in the general hilarity and tunefulness, "Thanks A Million," the new 20th Century Fox production brings the season's top mirth and melody production to the Alhambra Theatre.

The picture, replete with catchy new tunes by Gus Kahn and Arthur Johnston, follows the cock-eyed adventures of a tanktown show troupe headed by Fred Allen. His company loves him so they think he's responsible when it rains.

SALARIES DEBATE

(Continued from Page 12)

In the latter connection, however, I desire to refer to one passage in the Colonial Secretary's speech, the passage in which he told us that University-trained Chinese expect salaries equal to those drawn by European officers. That, surely, is an unreasonable expectation. European officers have to endure, and to finance climatically enforced separations from their families; and it is an accepted and uncriticised principle in Malaya that at least 25 per cent of their salaries represents an overseas allowance. I feel sure that the principle will prove equally acceptable here when people have had time to think it over.

THE DILEMMA

The Honourable the Senior Unofficial Member who seconded the motion has been given, in answer to his remarks regarding Government's refusal last autumn to fix exchange forward for its sterling commitments this year, the very reply that he hoped would not be given. That is because it is the true and only possible reply. I was not here at the time, but I have read the correspondence and from it emerges very plainly the dilemma in which Government found itself. It was on the one hand, as the Honourable Member expressed it, the trustee of the taxpayer; and it was on the other the Keeper of the public conscience.

The fact that the advice for fixing exchange forward was tendered unanimously by the Unofficial Members of this Council was proof enough that the proposal was not morally indefensible. But there are matters in which a Government should not allow itself to be placed in a position where a defence of its morality may be even called for. For Government to have fixed exchange forward with an exclusive foreknowledge of relevant future events to be brought about by itself might, I consider, have created a situation in which official scrupulousness could have been questioned; and questioning of that kind might have done the Administration greater injury than it would have reaped financial gain by fixing exchange forward.

That is all I have to say on this motion; but before putting it to the vote I would ask the Honourable proposer to consider whether his purpose has not been adequately served by this debate; if it has, there is hardly any need to proceed to a division.

MOTION DEFEATED

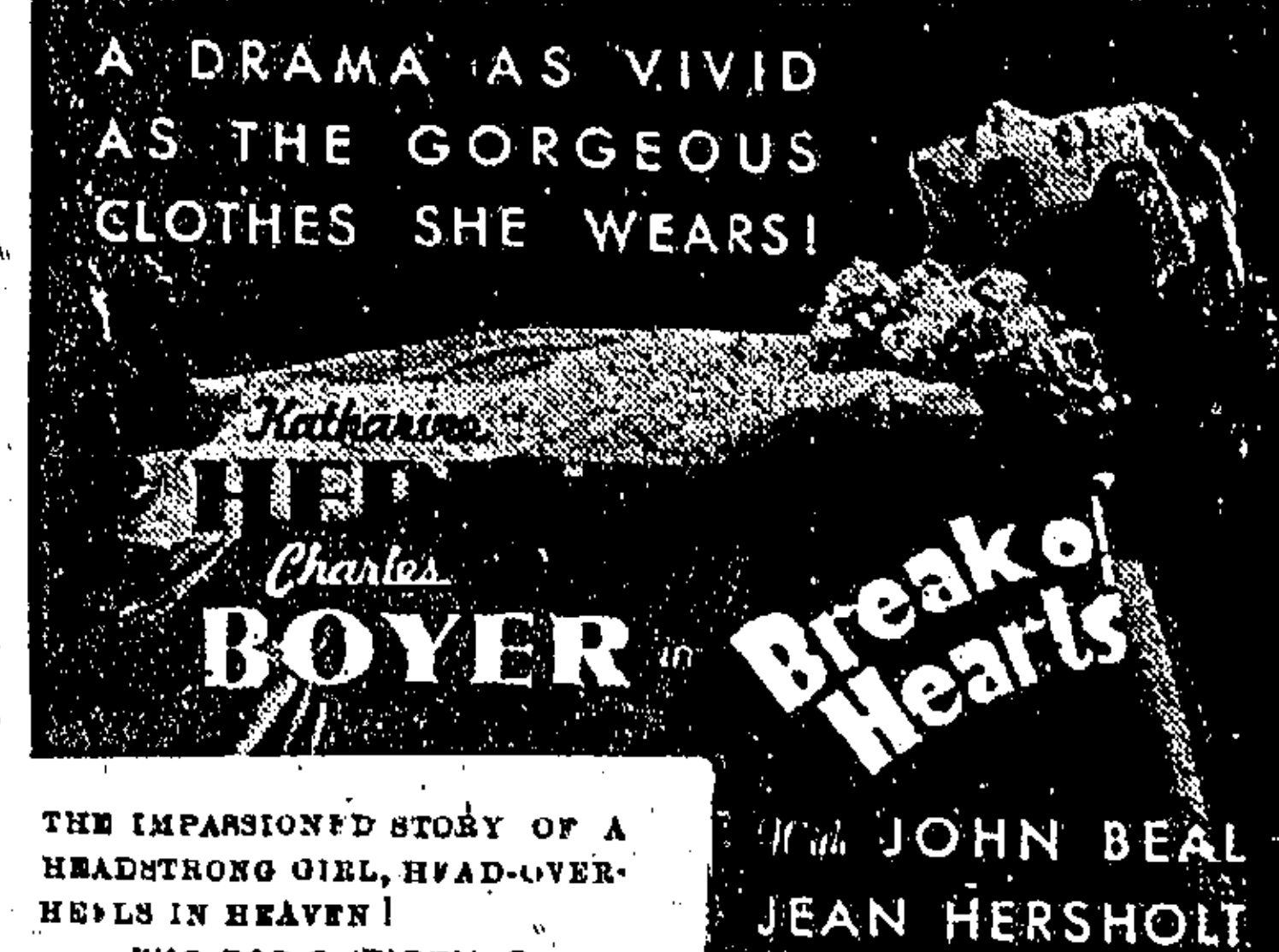
Sir Henry Pollock intimated that the Unofficial members desired to leave the Council Chambers to deliberate over the matter, and after an absence of ten minutes, the Hon. Mr. M. K. Lo addressing His Excellency the Governor, said that while he thanked the Colonial Secretary and Dr. Wellington for their comprehensive statements, he was not convinced that the Government had taken adequate steps in retrenchment.

It was impossible for him to reply at a moment's notice, but he felt that he had the support of the Unofficial members on this point. Mr. Lo said that he was particularly grateful for what His Excellency had said and the manner in which he had taken the motion. That the Civil Service was overstaffed was not only his own opinion, but that of the general public. In addition it was generally condemned by Civil Servants themselves.

In view of His Excellency's assurances, he wished to submit that the idea of his motion was to record his view and intimated that he wished the motion to be put to the division. The motion was defeated by nine votes to six.

The Hon. Mr. J. P. Braga abstained from voting. He said that to his mind the statements made by the Government were satisfactory, and the assurance that they would undertake to keep an eye on the problem, met with his approval. Before the vote was taken Sir H. Pollock informed His Excellency that the Hon. Dr. S. W. T'so was absent but that he was in entire accord with the views of the Unofficial members.

The Council meeting then adjourned sine die.

LAST TWO-DAYS **KING'S** At 2.30, 5.10, 7.15 & 9.30 P.M.

THE IMPASSIONED STORY OF A HEADSTRONG GIRL, HEAD-OVER-HEELS IN HEAVEN!
RKO-RADIO PICTURE
NEXT CHANGE: WALLACE BEERY—LIONEL BARRYMORE M.G.M. Picture
in "AH WILDERNESS!"

ALHAMBRA THEATRE

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NEXT CHANGE: GINGER ROGERS "IN PERSON"

TO-DAY & TO-MORROW **MAJESTIC** THEATRE At 2.30, 5.20, 7.20 & 9.20 P.M.



Sunday:—"IN CALIENTE" DOLORES DEL RIO

HONG KONG FIRE INSURANCE

Annual Report
Issued

The following report is for presentation to the shareholders of the Hong Kong Fire Insurance Co., Ltd., at the Sixty-Seventh Ordinary Meeting, to be held at the offices of the company, on Friday, March 27, at noon.

The General Managers and Consulting Committee have pleasure in submitting a statement of the Accounts of the Company, made up to 31st December, 1935 in Hong Kong currency.

To pay a Dividend of \$11 per share	\$440,000.00
To add to Investment and Exchange Fluctuation Account	100,000.00
To add to Reinsurance Fund	122,910.82
	\$662,910.82

1935 ACCOUNT

The balance at credit of this Account is \$753,116.76.

CONSULTING COMMITTEE

Sir Robert Ho Tung, Messrs. C. Bernard Brown, A. H. Compton, L. Dunbar, Felix A. Joseph, T. E. Pearce, J. H. Taggart and S. T. Williamson retire but, being eligible, offer themselves for re-election.

AUDITORS

The Accounts have been audited by Messrs. Love, Bingham, & Matthews and Percy Smith, Seth and Fleming, who, being eligible, offer themselves for re-election.

STAR

TO-DAY & TO-MORROW
SAMUEL GOLDWYN
presents



GARY COOPER
ANNA STEN
THE WEDDING NIGHT
RALPH BELLAMY
HELEN VINSON
SIEGFRIED RUMANN
Directed by KING VIDOR
Released thru UNITED ARTISTS

SUNDAY, BY SPECIAL REQUEST!
STAN OLIVER
LAUREL and HARDY
in "BONNIE SCOTLAND"

Jones: "You remember when you cured my rheumatism, doctor, a couple of years ago, and told me to avoid moisture?"

Doctor: "Yes, that's right."
Jones: "Well, I've returned to ask you if I may take a bath?"

CENTRAL THEATRE

LAST 4 TIMES

At 2.30, 5.15, 7.20 & 9.20 P.M.

DOUBLE ATTRACTION

— ON THE STAGE —
The World Famous

CHIN LOO

30 Minute of Thrills!
Wonderful Acrobatic Tricks!
Sensation Balancing!
Marvellous Bar Work!

— ON THE SCREEN —
FIGHTING! SHOOTING!
RIDING!

A Tornado of Action!
A Whirlwind of Thrills!

BUCK JONES

in the

"CRIMSON TRAIL"

A Universal's Picture

SATURDAY

Universal's

MUSICAL EXTRAVAGANZA

"SWEET SURRENDER"

POPULAR FIRST RUN PRICES
Loge: 80 c.; Dress Circle: 50 c.
Back Stalls: 40 c.; Front Stalls 20c.

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"The Goose and the Gander," a Warner Bros. comedy drama involving an unique love tangle, now showing at the Queen's Theatre, with Kay Francis and George Brent in the stellar roles.

The plot involves both the theft of hearts and of jewels, is set in the gayest of atmospheres, and carries a most exciting situation. The story evolves about the plot

PENINSULA HOTEL
Friday 27th, ex. till 2 a.m.

HONG KONG BENEVOLENT SOCIETY
CABARET DINNER DANCE

Big Attractions
GEORGE GUNCHAROFF
accompanied by Mme. Nura Kanis
The Dodwell Sisters
J. J. Ferguson, W. A. Simpson, and D. Nooy
Eric Nelson
Stella Best
etc., etc.

Book Early. — ? — Tickets \$6.
after Dinner cover \$3

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CABLES "SWKONHIS"

**AROUND THE
COURTS**

DOG ON THE LOOSE

Appearing on behalf of his wife Mrs. J.M. D'Almeida Remedios, Mr. J. M. D'Almeida Remedios pleaded guilty to a summons for allowing her Alsatian dog to run loose on Cornwall Road at 12.45 p.m. on February 22.

Mr. Remedios stated that at the time the dog ran out of the gate there was a car unloading manure at his home No. 22 Kent Road, and the dog got loose and ran out on to the main road.

Mr. Macfadyen imposed a fine of \$25.

CLOCK THEFT

Pleading guilty to a charge of theft of an alarm clock, Cheong Hong was sentenced to three weeks' hard labour by Mr. Macfadyen at the Kowloon Magistracy yesterday.

Defendant stated that he went to the house to visit a friend but he was not in, and on seeing the clock he took it. Later he pawned it. The clock was recovered and was found to be worth \$3.00.

STOLEN SUIT CASE

Leung Tong, 38, houseboy, pleaded guilty before Mr. Balfour at the Central Police Court yesterday to the theft, by servant, of a leather suit-case and clothing from 2, Queen's Street, second floor. Detective Sergeant Allen stated that defendant had pawned the clothing for \$13. Asked if he could raise the money within 24 hours as amends to the complainant, defendant told the Magistrate that he probably could if he sold his child. One month's hard labour was imposed.

BANISHMENT

For returning from banishment before her term of deportation had been completed, a woman, Li Fung-nui, 23, was sentenced to two months' hard labour by Mr. Balfour at the Central Magistracy yesterday. Sub-inspector L. Misi prosecuted.

GAOL WITHOUT OPTION

Two months' hard labour without the option of a fine was inflicted by Mr. Balfour at the Central Magistracy yesterday on Lau Yan, unemployed, when he admitted keeping a lodging house for prostitutes at 2, Fuk Sau Lane, West Point district. Sub-inspector B. Thorpe prosecuted.

WATER TAP

The theft of a water tap from a vacant floor at 64 Des Voeux Road Central, was admitted by Lau Hung, 49, coolie, when he was brought before Mr. Balfour at the Central Magistracy yesterday. Sentence of one month's hard labour was imposed. Sub-inspector L. Misi prosecuted.

OPIMUM POSSESSION

A total fine of \$10,000 or in default 1 year's hard labour was imposed upon Lo Pui Chan, a 21-year-old married woman, who was charged before Mr. W. Schofield at the Central Magistracy yesterday with breach of the Opium Ordinance.

Defendant was charged with the possession of 970 taels of raw opium and 487 taels of prepared opium at No. 20, Arbuthnot Road, first floor, on March 13.

THEFT FROM A PERSON

Tso-Fuk Leung, 51, unemployed was charged before Mr. S.F. Balfour at the Central Magistracy yesterday with having stolen on March 16, \$9 contained in a paper parcel from the person of a married woman, Kwan Liu-hung.

After evidence was heard, defendant was sentenced to 6 months' hard labour.

**CONSPIRACY TO
DEFAUD**

Three Men Convicted

Leung Shu, 27, postman No. 65 of the General Post Office, Lok Fan, 27, unemployed, and Yu Yat, 32, unemployed, pleaded guilty to a charge of conspiracy to defraud before Mr. Balfour at the Central Magistracy yesterday.

Leung Shu also admitted the theft of eight letters on or about March 14, while Lok Fan pleaded guilty to attempting to obtain \$500 from Shiu Kwai-hung by pretending that he was the nephew of man named Ho, and obtaining \$100 on September 30 from Lui Ka-pui by pretending that he was named Chu Shiu-lin.

Detective Inspector M. Murphy stated that the first defendant, Leung Shu, stole letters and opened them at an address in Upper Lascar Row. If there was any mention of money, the letter would be forged and re-posted to its destination with a note that on a date named a certain person would call to collect the money. Lok Fan used to go round and get the money as also did the third defendant.

It was stated that Leung Shu had been employed at the post

**AMBULANCE BRIGADE
SMART TURNOUT**

**Annual Parade Held
Yesterday**

The value of St. John's Ambulance Brigade to the Colony was evinced yesterday when a very large gathering assembled at the Naval Recreation Ground, Causeway Bay to witness the Annual Inspection of the Brigade by His Excellency the Governor, Sir Andrew Caldecott. The public were given an opportunity of seeing for themselves what this Brigade, worthy of its name, existed for.

Among those present were:—

The Acting Chief Justice, Mr. Justice R. E. Lindell, Mr. R. H. Kotewall, Sir Thomas Southorn, Sir William Shenton, Commodore C. G. Sedgwick, Hon. Dr. A. R. Wellington, Professor N. Nixon, Mr. Ho Kom Tong, Hon. Mr. R. A. C. North, Lieut. Col. H. B. L. Dowling, Miss Anna May Wong, Mr. S. H. Dodwell, Col. H. C. Harrison, Mr. T. A. Mitchell, Dr. Arthur Woo, Dr. R. A. de Castro Basto, Mr. Tang Shui Kin, Mr. Ngau Shing Kwan and Mr. H. S. Mok.

His Excellency who arrived accompanied by Hon. Dr. Wellington and Captain Cragg, was welcomed by the Commissioner of the Brigade, Mr. Morris and Officers. After the Governor had received the Royal Salute, the Staff Officers, Members of the Finance Committee and Vice-Patrons were presented to him which was followed by an inspection of the Corps.

A demonstration of work was then given by seven divisions, each division attending to one particular case. The manner in which the workers attended to their "patients" clearly showed the thoroughness of the training. The nurses handled their cases with every inch of efficiency and the men gave a thorough demonstration of First Aid work.

His Excellency was a most interested spectator throughout and congratulated each division on their splendid efforts.

MEDALS PRESENTED

Distinguished Service Medals were then presented to the following by the Governor:

Supt. A. H. Rungiah (Indian Div.), Supt. U. Kai Cheung (Shaokwan Div.), Corps Officer Leung Sui Sang (Bar to Service Medal), Corps Officer Chan Yuk In (Bar to Service Medal), Sergt. Fung Ho Suen (Bar to Service Medal).

TROPHIES PRESENTED

Ralphs Shield (Efficiency Award) Shaukiwan Div.; Savage Memorial Cup (Runners up) South China Athletic Div.; Mok Cho Chuen Cup (Best Squad) Railway Div.; Lau Chu Pak Duty Cup, Mong Kok; Holyoak Attendance Cup, Railway Div.; Wong Kwong Thi Vaccination Cup—Mong Kok; Ho Fook Cup (Inter Railway) Squad 3; Ho Kam Tong Nursing Shield—King's College Nursing Div.; Wo Wai Tuck Duty Cup—Y.W.C.A. Nursing Div.

GOVERNOR'S ADDRESS

Addressing the gathering, His Excellency said:—

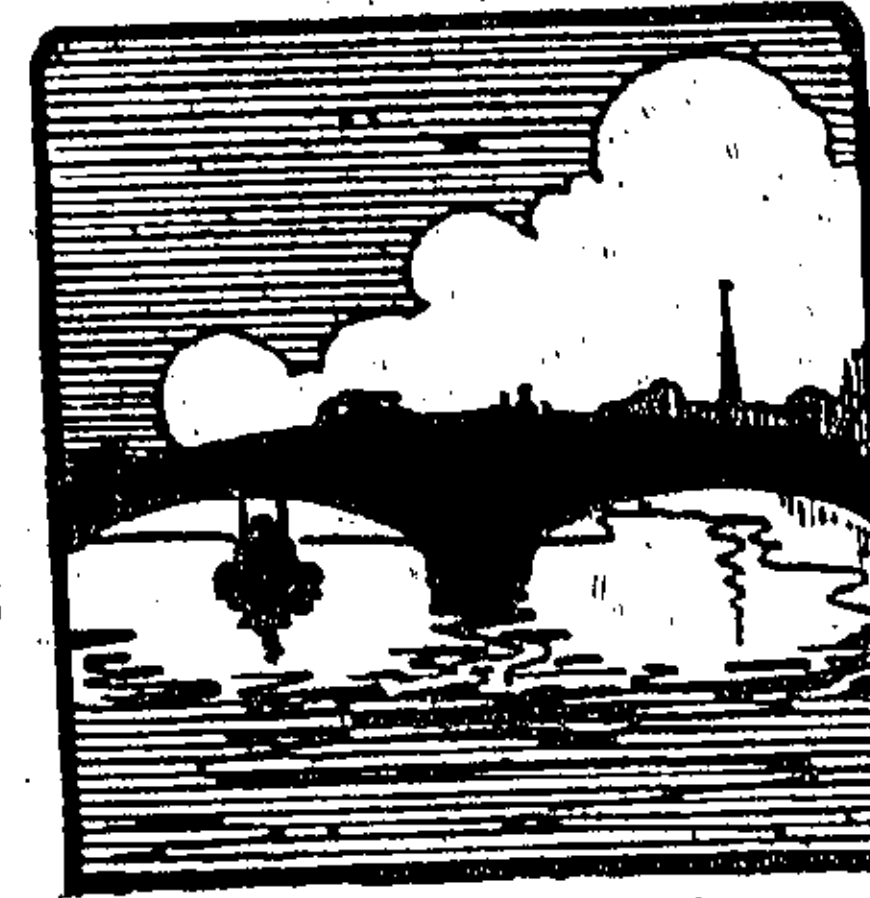
This afternoon marks my first introduction to your Brigade and I am very glad that it should be an occasion for cordial congratulation; for I do congratulate you very heartily on the show that you have put up at this inspection. Your annual report for last year also contains items for congratulation. I was specially glad to read of twelve qualifications in the Men's division for the Long Service Medal and six for the bar; I also read that in the Railway Division there were nineteen members with over ten years' service. It was only the other afternoon that I was emphasising the importance of long service in the Hong Kong Volunteer Corps; the same of course applies to your Brigade. I am afraid that obvious remarks on obvious things form a large part of the stock in trade of a Governor. The value of this Brigade to the Colony must be perfectly obvious to all who have brains to think and eyes to see, and yet it is the obvious things in life that go often get overlooked or under-rated. A few weeks ago the St. John's Association of Hong Kong launched a special appeal for funds, and I was given the welcome opportunity of being the first subscriber. But my present information is that the response to that appeal is so far very disappointing. In other words the work of the Association and the Brigade is of too obvious a value to arouse enthusiasm; it is taken for granted because it is permanent and necessary and has no seasoning of novelty. It may appear that, in reading this lecture to you who give to the movement so generously of your time

Office for the past ten years. Sentence of five months' hard labour was imposed.

Lok Fan was sentenced to seven months' and Yu Yat to three months' hard labour.

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ONCE TOO OFTEN

**St. Andrew's Hall
Thefts Recalled**

After having tasted the fruits of some easy thefts which had been committed at St. Andrew's Church Hall during the games nights, Wong Yuk, aged 32, thought of repeating his exploits but at his fourth attempt he was caught and resulted in his appearance before Mr. Q.A.A. Macfadyen at the Kowloon Magistracy yesterday on three charges of theft.

The complainants in the case were Messrs. A. E. Fuller, A. S. Bliss, and F. Broadbridge.

The first charge related to the theft of a silver cigarette case and holder which were stolen from St. Andrew's Hall on the night of February 16, the articles belonging to Mr. Fuller.

Secondly Mr. Bliss was the victim, having lost \$60, a fountain pen one brown tweed suit, one bus and one ferry ticket, and the third charge was for the theft of one jacket, a pair of gray flannels and a tie-pin the property of Mr. Broadbridge. This theft was committed on the night of February 20 during a badminton tournament.

Since the thefts had been reported there was a sharp lookout kept at the Hall and on the night of March 17 at about 10.10 p.m. this cunning thief was caught. It appears that he was seen to come up and look into the hall but when asked what he wanted he quickly tried to make his escape. He was chased and caught.

**CHUN-SHING INSTITUTE
OF COMMERCE**

Education Tour

In pursuance with the enlargement of the scope of programme for the school commercial activities, the Chun-Shing Institute of Commerce is inaugurating an educational tour to different industrial and commercial firms in the Colony for the purpose of acquainting the student body with the actual business management and conditions as they actually exist at present.

The Members of the Faculty and the students of different classes of the above Institute will pay a visit to the great water factory of A. S. Watson & Co., Ltd. and Taikoo Dockyard on Friday, the 20th inst. and to the Nam Yung Tobacco Co., Ltd. and the Printing Works of The Commercial Press, Ltd., on Monday, the 23rd inst. respectively.

The Police found on his person a silver cigarette case, a tie-pin and was wearing the flannels. Two pawn tickets were also found.

Accused pleaded guilty to the charges and stated that he was able to help the Police to recover the stolen property. The case was remanded for 48 hours.

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OVER FOURTEEN MILLION DOLLARS FOR SALARIES

DRASTIC RETRENCHMENT URGED BY MR. M. K. LO

Civil Service Overstaffed And Overpaid

Astonishing figures revealing the colossal burden of the Hong Kong Civil Service salaries, were made by the Hon. Mr. M. K. Lo at the Legislative Council Meeting of the Hong Kong Government which was held yesterday in the Council Chamber, when he moved a resolution that in the opinion of the Council, the Colony could not afford to maintain so large and costly a Civil Service as now exists, and that the Government should take immediate steps to effect all possible retrenchments.

Mr. Lo revealed that the full bill for salaries amounted to over fourteen million dollars annually, leaving just over nine and a half millions to cover the whole cost of civil administration.

Sir Henry Pollock, the Senior Unofficial member of the Council spoke in support of Mr. Lo's resolution, while Sir Thomas Southern, the Colonial Secretary in replying to Mr. Lo said that the Government would be inclined to agree, if the mover (Mr. Lo) would add the proviso "in the present circumstances". One was apt to be misled by metaphors and it would seem that the Hon. Mr. Lo contemplated a static Colony, which had reached the end of its growth. This argument was implicit in his views, whether intentional or not, and with this view, the Government could not agree.

The Colony had grown enormously and was growing continuously, with a consequent increase of staff to cope with this advance. Mr. Lo's arguments did not present a true picture of the real state of affairs. A comparison of the Colony with the F.M.S., Straits Settlement, Kenya, and Nigeria would show that the cost of administration in Hong Kong was 38 per cent., as against 41.1 per cent. in the Straits Settlement, 37 per cent. in Kenya and 36.1 per cent. in Nigeria.

His Excellency the Governor replying on behalf of the Government thanked the Hon. Mr. Lo for "a most usefully critical speech." "I can assure this Council that the Government will, so long as any rate as I am associated with it, react to Mr. Lo's two main points: firstly, that staff must be kept at the minimum compatible with efficiency; second, that the percentage of local recruits must be kept at the maximum so compatible."

Later His Excellency said "while therefore I am not prepared to subscribe to the letter of this motion I have a grateful sympathy with its spirit, and I will say now on behalf of the Government that no vacant post on the establishment will be filled without examining the possibility of its retrenchment and that no officer will be engaged from Overseas without first examining the possibility of a local recruitment."

GOVERNOR'S SYMPATHETIC VIEW

THOSE PRESENT

Those present at the Council Meeting included:—

His Excellency the Governor (Sir Andrew Caldecott, Kt., C.M.G., C.B.E.);

His Excellency the General Officer commanding the Troops (Major General A. W. Bartholomew C.B., C.M.G., C.B.E., D.S.O.);

The Colonial Secretary (Hon. Sir Thomas Southern, K.B.E., C.M.G.);

The Attorney General (Hon. Mr. C. G. Alabaster, K.C., O.B.E.);

The Secretary for Chinese Affairs (Hon. Mr. R. A. C. North);

The Colonial Treasurer (Hon. Mr. E. Taylor);

Hon. Mr. G. W. Tickle (Director of Public Works);

Dr. A. R. Wellington (Director of Medical Services);

Hon. Commander G. F. Hole, R.N. (Retired) (Harbour Master);

Hon. Mr. T. H. King (Inspector General of Police);

Hon. Sir Henry Pollock, Kt., K.C.;

Hon. Sir William Shenton, Kt.;

Hon. Mr. J. P. Braga, O.B.E.;

Hon. Mr. T. N. Chau;

Hon. Mr. J. J. Patterson;

Hon. Mr. W. H. Bell;

Hon. Mr. M. K. Lo;

Mr. R. Butters (Deputy Clerk of Councils).

The Hon. Mr. R. A. C. North and the Hon. Mr. G. W. Tickle both took the Oaths of Allegiance, and assumed their seats as members of the Council.

MUL-TSAI PROBLEM

The Hon. Mr. Jose Pedro Braga, O.B.E. pursuant to notice, asked the following questions:—

1. Will the Government communicate to the Council any information in its possession concerning the telegraphed report, dated London, March 6, 1936, that Mr. J. H. Thomas has decided to despatch a Commission of Inquiry from Britain to Hong Kong to further investigate the mul-tai system?

2. Will the Government inform the Council whether:—

(a) the report is true;

(b) if true, at whose expense the Commission will be proceeding to Hong Kong; and

(c) if it be at the Colony's expense, will His Excellency the Governor forthwith protest against the imposition of any further expenditure on local taxpayers in presence of the Colony's unbalanced Budget for the current financial year?

THE ANSWERS

Sir Thomas Southern answered The Hon. Mr. Braga's questions as follows:—

(1) The report is correct and the Honourable Member will be already aware that the Secretary of State has appointed Sir Wilfrid Woods, M.B.E., P.C., to be members of the Commission. No information has been received as to when the Commission will arrive. The proposal to appoint a Commission was referred to this Government and was considered in Executive Council where the view was taken that the first conclusion of the Report of the recent Committee on Mul Tsal in Hong Kong (Sessional Paper 8/1935) rendered it desirable to welcome a Commission if one should be appointed.

(2) This Government will certainly be expected to contribute a share of the cost.

(3) For the reason given in the first paragraph of this reply the Government is unable to protest in the manner suggested.

PUBLIC WORKS

In moving the following resolutions:—

1. That this Council approves under Section 3 (2) of the Hong Kong Dollar Loan Ordinance, No. 11 of 1934, of the following transfers in the Schedule as amended by the resolution of May 16, 1935.

Item No. 2.—Shing Mun Valley Water Scheme from \$10,043,531 to \$10,443,530.

Item No. 4.—New Gaol at Stanley from \$4,631,000 to \$4,500,000.

Item No. 5.—Tytam-Tuk Catchwaters from \$800,000 to \$720,000.

Item No. 6.—Airport Development from \$895,000 to \$975,488.

Item No. 8.—Other Public Works from \$279,823 to \$10,338.

The Colonial Treasurer said:—

Your Excellency: Five items of the Schedule to the Hong Kong Dollar Loan Ordinance No. 11 of 1934 as amended by the resolution of May 16, 1935 now require further amendment and as Your Excellency has directed under Section 3 (2) that certain transfers be made the resolution I am about to move is now submitted for the approval of Council.

Honourable Members are already aware of these alterations, which have now received the approval of the Secretary of State for the Colonies, as they were shown in Appendix VI. (b) p. 115 of the draft estimates for 1936. I will, however, recapitulate.

Item No. 2 Shing Mun Valley Water Scheme from \$10,043,531 to \$10,443,530. Two new works, the second 24" Trunk Main \$350,000 and Third Rapid Gravity Filters \$300,000 have been added. This is a gross increase under the head of \$550,000 but partially offset by a saving of a further \$250,000 on the Gorge Dam, reducing that total from \$9,000,000 to \$8,750,000.

Item No. 4: New Gaol at Stanley from \$4,631,000 to \$4,500,000.

Item No. 5: Tytam-Tuk Catchwaters from \$800,000 to \$720,000.

Both the above two items, it is anticipated, will be completed for the reduced totals now inserted.

Item No. 6: Airport Development from \$895,000 to \$975,488. This is accounted for to the extent of \$20,488 originally charged to surplus balances, \$140,000 for levelling the area known as the Flight Gap to the north of aerodrome \$20,000 for flood lighting making a total of \$180,488 which is offset by savings amounting to one lakh giving the revised figure of \$975,488.

Item No. 8: Other Public Works. Allowing for the above adjustments, this item will be reduced by \$239,485 and the new loan schedule will stand as follows:—

Item No. 1 \$ 2,555,703
" 2 10,443,530
" 3 1,930,000
" 4 4,500,000
" 5 720,000
" 6 975,488
" 7 3,864,943
" 8 10,338
\$25,000,000

The Colonial Secretary rose to second the resolution, which was passed by the Council.

MORE EXPENDITURES

The Colonial Treasurer also moved the following resolution:—

That this Council approves of the expenditure of \$5,223,077.82 on the various items of Loan Works as enumerated below during the financial year 1936, which sum shall be met from surplus balances pending the issue of a further loan.

SCHEDULE
Head 2.—Shing Mun Valley Water Scheme.

(b) 2nd Section:

(3) George Dam .. \$1,800,000.00

(5) 2nd 24" Trunk Main	300,000.00
(6) 3rd Rapid Gravity Filters	250,000.00
Head 3.—Vehicular Ferry	62,022.51
Head 4.—New Gaol at Stanley	2,600,000.00
Head 5.—Tytam-Tuk Catchwaters	39,751.17
Head 6.—Airport and Sea-plane Slipway	151,304.14
	\$5,223,077.82

In moving the resolution The Colonial Treasurer said:—

Your Excellency: The next resolution standing in my name is in connection with the proposed expenditure in 1936 on approved loanworks. Honourable Members are already familiar with the items in the schedule which appear in Appendix VI. (b) p. 115 of the draft estimates for 1936. There are, however, three exceptions which were originally estimated as under and now require alteration.

Head 2.—Shing Mun Valley Water Scheme.

(b) 2nd 24" Trunk \$250,000.

(6) 3rd Rapid Gravity Filters, \$150,000.

Head 3.—Vehicular Ferry, \$1,582.51.

Regarding the first two items there is every indication at the present rate of construction of the Shing Mun Gorge Dam that the draft provision of \$250,000 for the 2nd 24" Trunk Main and of \$150,000 for the 3rd Rapid Gravity Filters will be insufficient for the revised 1936 programme of work and approval is requested to spend this year up to \$300,000 and \$250,000 respectively. Corresponding decreases in estimated expenditure on these subheads for 1937 will take place and the total estimate for the works will not be affected.

There remains the third exception Head 3.—Vehicular Ferry—the amount under which has been increased by \$60,439.98 from \$1,582.51 to \$62,022.49. Honourable Members will remember that by a Resolution dated September 5, 1935, the sum of \$78,000 was approved for the service last year in order to construct two new caissons and certain other works. In introducing the resolution last September, I stated that it was possible that the full sum of \$78,000 might not be required during 1935 and this has proved to be correct. The contract was only let on October 22 last and the total amount spent to the end of the year amounted to \$17,560 out of the full allotment of \$78,000. I am now asking for the balance of \$60,439.98 to be added to the sum of \$1,582.51 for 1935.

The resolution was seconded by the Colonial Secretary and passed.

AMENDMENTS APPROVED

Upon the motion of the Attorney General, seconded by the Colonial Secretary, the following amendments were approved by the Council:—

The amendment to the Market by-laws made by the Urban Council under section 5 of the Public Health (Food) Ordinance, 1935, Ordinance No. 13 of 1935, on January 7, 1936.

The amendment to the Scavenging by-laws made by the Urban Council under section 4 (iv) of the Public Health (Sanitation) Ordinance, 1935, Ordinance No. 15 of 1935, on January 7, 1936.

The amendment to the General Licensing by-laws made by the Urban Council under sections 2 and 4 of the Hawkers Ordinance, 1935, Ordinance No. 22 of 1935, on January 7, 1936.

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subistence in the case of sterling paid officers. Officers below the £240 level are, in the Police Department, lance-sergeants whose salary rises from £190 to £240, in the Prisons Department certain junior warders where the salary rises from £190 to £230, and in the Medical Department certain junior nursing sisters where the salary rises from £220 to £295.

DOUBLE LEVY

The first part of the double levy on sterling salaries is a graduated percentage cut of 24 per cent. on the first £240, 5 per cent. on the next £360, 7½ per cent. on the next £400, 10 per cent. on the next £400 and 12½ per cent. on the remainder of the salary.

The second part of the double levy is provided for in clause 2 (4) and involves the payment of the salaries, after deduction of the percentage levy and Widow's and Orphans' Pension Contribution (if any), at the arbitrary rate of one shilling and six-pence to the dollar, for the first quarter of this year, and for subsequent quarters at such rates as this Council may direct by resolution. On this point I may say that the Government intend to introduce, with the approval of the Secretary of State, a resolution for a lower exchange rate, that of one shilling and five pence farthing, for the second quarter, with further reductions of rate for the last two quarters.

The double cut for the first quarter will amount on the higher salaries, of £1400 and over to a levy of 20 per cent. and over.

These proposals sound very drastic, but they are designed to do justice between sterling paid salaries and dollar paid salaries in view of the fact that when a sharp fall in exchange occurs the cost of living does not rise pari passu. There is a lag which has for the purpose in hand been taken at a year, partly because that is the period under review and partly because there are grounds for viewing the financial situation after 1935 with less anxiety as by that time our most expensive commitments for Public Works Extraordinary will be completed or nearing completion.

DOLLAR SALARIES

Clause 3 of the Bill provides for a levy on dollar salaries exceeding \$240 per annum at the rate for the first half year of 4 per cent. on the first \$1000, 8 per cent. on the remainder. For the rest of the year these rates will be reduced to 3 per cent., 6 per cent., 10 per cent. and 12 per cent. respectively.

Here again the figure \$240 has been selected as representing the bare level of subsistence. It will exclude messengers and coolies and others not receiving more than \$20 per mensem.

It must be remembered that on the revision of salaries in 1930 resulting from the Report of the Salaries Commission the basic dollar salaries were increased twenty per cent. whereas the basic sterling salaries received an increase of only 15 per cent. the contemplated High Cost of Living Allowance never having been in fact paid. This fact has to be considered in contrasting the differences in the incidence of the levy in the cases of the dollar paid and sterling paid salaries.

The only other clause of the Bill which calls for special comment is clause 6 which allows the Legislative Council by resolution to exempt either wholly or partially from the operation of clauses 2 and 3 any officer or any class or description of officer. It is intended by the Government to introduce under this clause a resolution exempting from levy the salaries paid to those other than officers seconded from the general establishment employed on the construction of the Tui-lee Reservoir and Shing Mun Dam.

FINAL ASPECT

I now turn to the financial aspect of the proposals.

The deficit on the estimates for 1936 at one shilling and eight-pence amounted to \$2,928,303. To this has to be added the sum of \$3,000,000 for our sterling commitments if the dollar is reckoned at one shilling and three-pence making \$5,928,303 in all. The conventional dollar taxes on liquor, tobacco and light dues are estimated (less military contribution) to produce \$936,000 and the taking in of the surplus on the Trade Loan (less military contribution) a further \$400,000. Deducting these receipts the deficit is reduced to \$4,592,303. The dollar and sterling is regarded as the bare level of

(Continued on Page 10)



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INSTANTLY REMOVES ALL TARNISH AND IMPARTS A BRILLIANT and LASTING POLISH.

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NEW ADVERTISEMENTS

INSTITUTION OF ENGINEERS
AND SHIPBUILDERS OF
HONG KONG.

MEMBERS are requested to attend the ANNUAL GENERAL MEETING in the rooms of the Institution on Monday, March 23rd, at 6.00 P.M.

W. F. SIMPSON,
Hon. Secretary.

[4207]

CHINA ENTERTAINMENT AND
LAND INVESTMENT CO., LTD.

NOTICE IS HEREBY GIVEN that the SIXTH ORDINARY GENERAL MEETING OF SHAREHOLDERS will be held at the registered offices of the Company, King's Theatre Building, 5th Floor, on MONDAY, the 30th day of MARCH, 1936, at 12 o'clock, Noon, to receive the Directors' Report and Accounts for the year ended 31st December, 1935, to elect Directors and Auditors and to transact such other business as may be properly transacted at an Ordinary General Meeting of the Company.

And notice is further hereby given that the Register and Transfer Books of the Company will be closed from the 23rd to the 30th day of March, 1936, both days inclusive.

LIANG CHI HAO,
Managing Director.
Hong Kong, 19th March, 1936.

[4206]

FOR SALE

- Two Brush Ljungstrom turbines. Each turbine runs at 3,000 r.p.m. and is fitted with two generators, the combined capacity of which is 500 kilowatts. These sets are 3-phase, 50 periods, 600 volts.
- One 30,000 pound Babcock and Wilcox Marine type Boiler fitted with Superheaters and Economisers complete with chimney suitable for working up to 200 pounds pressure. This boiler is fitted with chain grate stokers.
- One set of Oil Burning Equipment for the conversion of the above boiler to oil firing consisting of:—oil tank, pressure oil pumps and complete set of oil burners.

Enquiries to the

MUNICIPAL ELECTRICAL
ENGINEER,
MUNICIPAL OFFICES,
PENANG, S.S.

[4293]

THE HONGKONG LAND
INVESTMENT AND AGENCY
CO., LTD.

4% DEBENTURES

NOTICE IS HEREBY GIVEN that INTEREST for the six months ending 31st MARCH, 1936, on the above DEBENTURES will be payable at the OFFICES of the COMPANY ON THAT DATE.

THE REGISTER OF DEBENTURES will be closed from MONDAY, the 23rd MARCH, to MONDAY, the 30th MARCH, both days inclusive, during which period no transfer of DEBENTURES can be registered.

By Order of the Board of Directors,
O. EAGER,
Secretary.
Hong Kong, 18th March, 1936.

[4234]

UNION WATERBOAT
COMPANY, LIMITED.

NOTICE TO SHAREHOLDERS.

THE Thirty-first Annual General Meeting of Shareholders will be held at the Offices of Messrs. Dodwell & Co., Ltd., Hong Kong and Shanghai Building, on Wednesday, 8th April, 1936, at NOON, for the purpose of receiving the report of the General Managers together with a Statement of Accounts to 31st December, 1935.

The Transfer Books of the Company will be closed from 28th March to 8th April, 1936, both days inclusive.

DODWELL & CO., LTD.,
General Managers.
Hong Kong, 18th March, 1936.

[4292]

ADVERTISEMENTS.

PUBLIC WORKS DEPARTMENT.

IT is hereby notified that sealed tenders in triplicate which should be clearly marked "Tender for permission to obtain clay from a parcel of Crown Land at Cha Kwo Ling, S. D. III, N.T.", will be received at the Colonial Secretary's Office until Noon of Monday, the 30th day of March, 1936, for the occupation for a period of one year from the date of notification of acceptance of tender of the piece or parcel of ground, containing about 46 acres, shown coloured red on plan signed by the Director of Public Works and dated 9th March, 1936, but subject to certain conditions which can be ascertained at the office of the Director of Public Works.

Each tender must be accompanied by a receipt to the effect that the tenderer has deposited in the Colonial Treasury a sum of \$50 as a pledge of the bona fides of his offer, which sum shall be forfeited to the Crown, if the tenderer refuses to carry out his tender and comply with the conditions, should the tender be accepted.

Form of tender and further particulars can be obtained from the office of the Director of Public Works.

The Government does not bind itself to accept the highest or any tender.

A. G. W. TICKLE,
Director of Public Works.
13th March, 1936.

[4290]

IN THE SUPREME COURT OF
HONG KONG

PROBATE JURISDICTION.

IN THE GOODS OF JOHN INGRAM ANDREW, sometime of VICTORIA in the COLONY OF HONG KONG, CHINA, afterwards of DUNNINGTON, BIRDEHLE in the PARISH of PETERBURY and COUNTY of ALDERNEY, and LATERLY at 94, STANLEY STREET, ALDERNEY, SCOTLAND, ENGINEER, DECASED.

NOTICE IS HEREBY GIVEN that the Court has, by virtue of Section 58 of the Probates Ordinance 1937, made an Order limiting the time for Creditors and others to send in their claims against the above Estate to the 8th DAY of APRIL, 1936.

All Creditors and Others are accordingly hereby required to send their claims to the Undersigned on or before that date.

Dated the 11th day of March, 1936.

JOHNSON, STOKES & MASTER,
Solicitors for the Executrix,
The Hongkong & Shanghai Bank
Building,
Victoria, Hong Kong.

[4278]

THE HONGKONG FIRE
INSURANCE COMPANY
LIMITED.

NOTICE TO SHAREHOLDERS

THE Sixty-seventh Ordinary General Meeting of Shareholders will be held at the Offices of the undersigned on Friday, the 27th March, 1936, at Noon, for the purpose of receiving the Report of the General Managers, together with a Statement of Accounts for the year ended the 31st December, 1935.

The Share Register and Transfer Books will be closed from the 18th to the 27th March, 1936, both days inclusive.

JARDINE, MATHESON & Co., Ltd.,
General Managers,
THE HONGKONG FIRE INSURANCE
CO., LTD.,
Hong Kong, 6th March, 1936.

[4268]

HONGKONG & WHAMPOA
DOCK CO., LTD.

NOTICE IS HEREBY GIVEN that the Ordinary Yearly Meeting of Shareholders will be held in the Office of the Company, 2 Queen's Building, Hong Kong, on Monday, 30th March, 1936, at Noon, for consideration of the Directors' Report and Statement of Accounts for the year ending 31st December, 1935.

The Share Register and Transfer Books will be closed from the 21st to 30th March, 1936, both days inclusive.

By Order of the Board of Directors,
E. COCK,
Chief Manager.
Hong Kong, 12th March, 1936.

[4277]

The Daily Press.

HONG KONG, MARCH 20, 1936.

HONG KONG'S BURDEN

In another column we give a report of the Legislative Council meeting held yesterday. The Hon. Mr. M. K. Lo in a masterly speech quoted staggering figures of the burden of taxation in Hong Kong. The Bill for salaries amounts to over fourteen million dollars annually. This appears to be a very high charge considering that only some nine and a half millions are left to cover the entire cost of the Civil Administration, including social services and the many items of essential public expenditure.

Mr. Lo also made the point that pensions paid by the Hong Kong tax-payer already amount to over two millions a year and shuddered to think what they would be in ten years' time.

The Hon. Sir Henry Pollock in seconding the motion brought up a point on exchange; it may be a debatable point as to whether the Hong Kong Government would be justified in fixing sterling exchange forward because it had some foreknowledge of the possibility of measures being taken to establish a managed currency; but Sir Henry Pollock rightly pointed out that on September 18 last he, as the mouthpiece of every one of the Unofficial Members, urged the Government to fix exchange forward for all sterling commitments.

When the Unofficial Members ask for protection for the tax-payers' money, their wishes should be met. In this case the Hong Kong Government has taken a grave responsibility and we hope they will be able to reassure the public on this point. In any case we contend that charity begins at home and whenever the tax-payer can be saved, he should be, always remembering that the Government official is the trustee for the tax-payer and we contend that this fact has not, in the past, been always sufficiently emphasized.

Both Mr. Lo and Sir Henry Pollock brought up suggestions of economy and two of them are important, one not to engage any more sterling paid servants without consulting the Council, and the other that a real effort be made to utilise the local talent. We thoroughly commend this latter suggestion, at the same time we would issue a word of caution, not in the first instance to engage too many. We state this, as the local talent is suffering from never having been given a chance in the past, and must be by now thoroughly discouraged. There is no doubt that were the door opened to them, a new energy would encourage them to do their best and their efficiency in all walks of life would increase by leaps and bounds. We feel convinced that His Excellency the Governor approves of this suggestion. The transition will be slow but it will be the greatest step forward Hong Kong has ever made.

Recently "cuts" were made in Government servants' salaries. We were against these as they placed undue hardships on certain individuals and ourselves strongly recommended an entire revision of salaries taking each case on its merits.

In conclusion we have to thank the two public spirited Unofficials, Members for bringing up these important matters, as an unpleasant undercurrent has been going on for some considerable time which does not tend to enhance the well-being of the Colony.

Turning to the Accounts the profit on Working Account amounts to \$975,891.58 which is only \$4,757.37 less than in 1934. As will be seen, Depreciation on Fixed Assets has absorbed the sum of \$156,196.98, some \$10,000.00 more than was applied last year.

In view of the drop in the market value of our Investments it was considered necessary to write these down, and the sum of \$15,000.—has been utilized in order to bring the book value into line with the market value at the 31st December last. Although still in credit to the extent of \$4,495.47 a further \$10,000.00 has been placed to credit of Bad and Doubtful Debts Reserve Account.

Amongst our Liabilities there is one item to which I feel special reference is necessary. I refer to the Cattle Wastage Account. It was explained to you at the last Annual Meeting that in order to insure, as far as possible, an even annual charge on account of Cattle Losses, which you will appreciate may vary from year to year, a Cattle Wastage Account was opened to the extent of \$10,328.89 at the end of 1934, showing that the provision made had been more than adequate. The same scheme was

applied this year but unfortunately the provision made did not cover the losses and in addition to utilizing last year's surplus of \$10,328.89 it was also necessary to add to the provision made in order to balance the account. The actual charge made in Working Account for Cattle Wastage this year amounted to \$81,754.73, which with the balance of \$10,328.89 brought forward brings the total utilized to \$92,083.62. This actually represents the book value of animals shown under the heading "Sales and Deaths," less the amount realized by sales.

SALES IN HERD
In view of the explanation given last year it may appear strange that a point of balancing the account should have been made. The management however, while satisfied that, taken over a number of years, the provision made for losses will prove more than adequate feel that, as this is only the second year the scheme has been in operation, it is inadvisable to saddle the account with a debit balance.

Before passing from this item I think you should know that less than 20 per cent. of the losses was due to deaths. In fact there was less mortality in the Herd than for some years. Sales were mainly responsible for the deduction of \$122,219.82 in the value of the Herd. Last Spring a weeding out campaign was carried out and as a result of this step I am able to assure you that the standard of the Herd has been raised to a very high level; in fact the Herd is now certified as entirely free from Tuberculosis—a condition we are justly proud of. In other words all our milk is of the same quality as that so well known at home as Grade A T.T. which commands a higher price than ordinary milk.

A T.B. free Herd is the Dairy Farmer's dream all the world over. In our case, when we hark back to the early days of the Company and call to mind the stupendous difficulties with which our predecessors had to contend, it is a dream that I venture to think few of them thought would ever come true, and I sometimes wonder whether, notwithstanding our efforts to widely advertise the fact, the public really appreciate that it has come true.

The cost of achieving our object has been considerable since it has meant the strictest application of veterinary practice and continuous withdrawals of animals from the Herd, but I am sure that Shareholders will consider that the end has justified the means. An adequate supply of Pure Fresh Milk is undoubtedly essential to the welfare of the Colony. In his parting address, Dr. Gibson, who retired in May last after having completed 38 years service in the Alice Memorial and Affiliated Hospitals used these words "I do not know how people can read, week after week, of 50 deaths from Tuberculosis, and not do more to cope with the dread disease."

T.B. FREE COWS.
Gentlemen, I think that the Dairy Farm can claim to have played their part in this respect in a manner deserving well of the Colony, for although the use of T.B. free milk may not cure Tuberculosis, it undoubtedly removes the risk of infection, and by reason of its nutritive virtues, undoubtedly also, reduces the risk of infection from other sources.

When we consider that there are probably not more than six herds of cattle of a similar size in the world that come under the classification of "T.B. free," the fact that we can claim this highest of all standards for our constituents is a real advance in the pure food movement. Although "visiting cards" to view the Farm for the

DIARY FARM REPORTS A GOOD YEAR

Stringent Economy
And Service

Although in the previous year a note of warning was sounded by the Chairman as its annual meeting as regards "difficult times and more competitive conditions would have to be faced," such was not the case with the report and accounts of the Dairy Farm Ice and Cold Storage Co., Ltd. for 1935 which was presented by the Chairman of the Board of Directors, Mr. S. H. Dodwell when he presided at the Annual General Meeting yesterday.

In his opening remarks Mr. Dodwell said that he was glad to be able to report that there was little evidence of either of the above mentioned conditions but that did not mean these did not exist. "The most stringent economy has been exercised in the operation of all departments, without which results could not have been so favourable," continued Mr. Dodwell.

"The year's activities were also reviewed and a final dividend of \$1 per share plus a 5 per cent bonus to the Staff were agreed upon.

"T. B. Free" Herd

Mr. S. H. Dodwell was supported by Messrs. T. E. Pearce, J. Owen, Hughes, R. E. Coxon and J. D. Thomson (Secretary).

The following shareholders were also present:—Messrs. A. Stevenson, S. T. Williamson, Frank Austin, S. Hamilton-Ross, A. D. Wylie, D. MacFarren, G. Milne, Chan Lai Fan and Jan Kong-sung.

THE CHAIRMAN'S SPEECH

Addressing the meeting Mr. Dodwell said:

Gentlemen,—The Report and Accounts having been in your hands for the prescribed period, I will, with your permission, take them as read.

When addressing you from the Chair last year, my predecessor, in referring to the future, sounded a note of warning when he predicted, "that difficult times and more competitive conditions would have to be faced."

There is, I am glad to say, little evidence of either of these conditions in the accounts before you to-day, but that does not mean that they did not both exist. The most stringent economy has been exercised in the operation of all departments, without which results could not have been so favourable. I desire, on behalf of the Board to express our appreciation of the loyal manner in which the staff accepted the measures which the Board deemed necessary to meet the situation, and I am sure that the shareholders will thoroughly approve of a 5 per cent. Bonus which the Board have granted and for which provision has already been made, as well as join with me in congratulating Mr. Stevenson and the whole staff on the result achieved in an undoubtedly difficult year.

As to the future, some aspects of the present world situation might justify me in reiterating the warning of my predecessor in this chair, but fortunately there are phases of it which are more encouraging than they were last year, notably the promise of more stability in our exchange at a level which experience has I think proved to be more suitable in the long run than a high one for trade in this part of the world. I shall therefore merely give you the assurance that economy combined with efficiency will continue to be our watchword in our double task of protecting the interests of our shareholders and of giving a service second to none to the public of the Colony.

THE ACCOUNTS
Turning to the Accounts the profit on Working Account amounts to \$975,891.58 which is only \$4,757.37 less than in 1934. As will be seen, Depreciation on Fixed Assets has absorbed the sum of \$156,196.98, some \$10,000.00 more than was applied last year.

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purpose of inspecting the Herd, the Dairy and Ice Cream Factory are to be had for the asking very few avail themselves of the opportunity. This is regretted. I assure you the Farm is well worth a visit and I trust that more people will avail themselves of the opportunity in future.

I would next draw your attention to the Employees' Provident Fund. You will note that the sum of \$75,568.03 appears on both sides of the Balance Sheet, and that in both cases the above sum has been short ruled to indicate that it does not form part of the Company's Assets or Liabilities. This entry has been made solely for the purpose of showing shareholders that the Staff do enjoy privileges of a Provident Fund and represents the cash position only as a number of the employees have taken the opportunity to invest portions of their funds in approved securities. I may say that, since last we met the change in the administration of the Fund, to which reference was made at the last Annual Meeting, has been carried out and apart from acting in the capacity of Trustees the Company has no other integral interest in the Fund.

YEAR'S ACTIVITIES
I do not think that further reference to the accounts, is necessary for the present and will now deal briefly with our activities throughout the year, the most important of which was the opening in October last of a Cold Storage Installation comprising 6 rooms in Godown No. 28 in the premises of the Hong Kong and Kowloon Wharf and Godown Co., Ltd. This Installation was built primarily for the purpose of providing facilities for the storage of transhipment cargo within easy access of the main wharves at Kowloon. I may say that a ten years lease of these premises has been entered into and although it is yet too early to prophesy, it is felt that the Installation will prove a sound investment.

Delivery services to the Magazine Gap and Sheko districts were instituted much to the satisfaction of the residents there. Kiosks for the sale of Milk, Ice Cream and other products were opened in Tin Kau and Sheko, and both, I am pleased to say were afforded a fair measure of patronage.

In May last the Soda Fountain unit was transferred from our Branch in the St. Francis Hotel Building to the Hong Kong Hotel where it is operated by us for the Hotel Company.

We are also operating the Soda Fountain at the Lido and feel certain that this will prove a satisfactory venture.

With a view to safeguarding our Ice business the sale and rental of modern American Ice Refrigerators was started in June last and I am pleased to say that the department did very well last year. We hope to improve upon our Ice delivery service this year and two or three plans relative to the sale of Ice Refrigeration are under consideration.

In April last a scheme for the supply of Milk to Children at School was introduced and although the support was gratifying we are hopeful that there will be an increased demand this year and that a few more schools will show interest in the scheme.

THE INTERIM DIVIDEND
As you know an Interim Dividend of 50 cents per share was declared in October last. At that time we had a surplus of funds which it was difficult to employ to advantage, and knowing that an Interim Dividend would be appreciated, your Directors decided upon payment of 50 cents per share. I believe that this step had your full approval.

The balance of Profit and Loss Account for the year amounts to \$432,972.30 and the balance for appropriation to-day, including the sum of \$80,601.08 carried forward from 1934 and less the amount absorbed by Interim Dividend i.e. \$125,715.00 amount to \$387,858.38 which your Directors recommend be dealt with as follows:—

Pay a final Dividend of \$1.00 per share, absorbing.....	\$251,430.00
And to Staff (Chinese) Superannuation Fund	10,000.00
Transfer to Exchange Fluctuation Account	25,000.00
Add to General Reserve	25,000.00
Carry Forward	76,428.38
	\$397,858.38

Since our last Meeting Messrs. A. B. Stewart and W. G. Goggin retired from the Board on leaving the Colony and I should like to take this opportunity of recording our great appreciation of

their valuable services these gentlemen rendered the Company. I now formally propose that the Report of the Directors and the Accounts for the financial year ended 31st December, 1935, as presented, be adopted and I shall be obliged if some Shareholder will kindly second such proposal, whereupon questions as to the Report and Accounts may be raised.

SECONDERS SPEECH
In seconding the proposal, Mr. S. T. Williamson said:—Mr. Chairman and Gentlemen,—It is with pleasure that I rise to second the adoption of the accounts now before us and I feel sure that shareholders will agree that a very satisfactory position is revealed, and every credit and our thanks are due to our Board and to Mr. Stevenson and his staff who are responsible for this excellent showing on the past year's working—a year, by the way, that has been considered in many quarters to have been most difficult. I am glad to note that ample provision has been made in connection with the Cattle Wastage Account and it is lightening to know that our herd attains such a very high standard. It is pleasing to note that further cold storage space has been arranged for in conjunction with the Hong Kong, Kowloon, Wharf and Godown Co., Ltd. This should be of considerable assistance to us in the efficient handling of our shipping and import and export business. The Chairman has so fully covered the various points that there is very little left for further comment. I now formally second the adoption of the Report and Accounts as presented to this meeting.

THE MOTION WAS CARRIED.
OFFICE BEARERS
The next item on the agenda was the election of directors as Mr. T. E. Pearce and Mr. S. H. Dodwell were retiring by rotation but being eligible offered themselves for re-election.

These two gentlemen were re-elected unanimously upon the proposal of Mr. D. MacFarren, who was seconded by Mr. G. Milne. Messrs. Percy, Smith, Seth and Fleming were re-elected auditors for the ensuing year at a remuneration of \$2,000. This motion, proposed by Mr. A. D. Wylie and seconded by Mr. Chan Hai Tan, was carried unanimously.

The meeting then concluded.

ONLY TWO GAMES
YESTERDAY

Gosano Wins

P. Kong and Lai Kwong-tsun, the Chinese R. C. combination had an easy passage into the next round, when on the Club ground yesterday they encountered E. Bathurst and A. T. Lay and had little difficulty in winning. They conceded only three games.

The only other match played was that between A.V. Gosano and Capt. L. D. Milne in the Singles Section. A more even game was witnessed, and Gosano just managed to recover well enough to win, after his opponent had snatched the first stanza by 6-4.

The results were as follows:—
OPEN SINGLES
A. V. Gosano beat Capt. J. D. Milne, 4-6, 6-3, 6-4.

OPEN DOUBLES
P. Kong and Lai Kwong-tsun beat E. Bathurst and A. T. Lay, 6-1, 6-2.

JAPANESE SENT TO
INVESTIGATE

Shanghai, Mar. 19.
Two Japanese officials have gone to Wenchow, Chekiang, to investigate the alleged anti-Japanese activities of the local authorities who are stated to be blocking the efforts of Japanese shopkeepers to reopen their stores which were closed down since the Mukden incident.

CHARTERED BANK'S
DIVIDEND

At the Annual Meeting of Shareholders Directors will recommend a Final Dividend at the rate of 14 per cent. per annum subject to Income Tax £50,000 added to Pension Fund £25,000 written off Premises Account. £181,037.16/1d. carried forward.

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The meeting then concluded.

The Colony's trade return statistics are unavoidably held over owing to pressure on space.

LEAGUE COUNCIL HEARS GERMAN VIEWS

Accusation Of Locarno Violation Rejected

Striking Arguments For Rhineland Action

London, March 19.

Germany's ambassador to the League Council meeting, Herr von Ribbentrop, occupied a vacant seat when the Council opened at 10.30 this morning. At the outset of the proceedings Herr von Ribbentrop expressed the hope that the resumption of relations by Germany with the League might prove the turning point in the history of Europe after the manifold confusions of the unhappy years following the war.

Stating that the fundamental German attitude towards Locarno was outlined by Chancellor Hitler on March 7, Herr von Ribbentrop outlined the main features of the Locarno Pact, the most important of which was the exclusion of the use of force between France and Belgium on the one hand and Germany on the other for all time.

Herr von Ribbentrop said that Locarno carried a burden for Germany in leaving the important populous Rhineland without any military protection.

"I believe from the standpoint of higher justice such a limitation of most primitive sovereign rights would itself in the long run be almost an intolerable condition for a nation," he said.

OBJECTIONS ENUNCIATED

The ambassador enunciated Germany's objections to the Franco-Soviet alliance, under five heads:

Firstly, that the alliance brings together two states comprising 275 million people;

Secondly, that the two contracting parties were each by themselves the strongest military powers in the world;

Thirdly, that the alliance was exclusively directed against Germany;

Fourthly, that Russia, which is itself separated by a long distance from Germany and cannot be attacked by her, has, through a similar military alliance with Czechoslovakia, indirectly advanced its boundaries to the German frontier;

Fifthly, that France and Russia by this alliance made themselves judges of their own cause because they and not the League Nations will name the aggressor.

Herr von Ribbentrop enlarged this point of naming the aggressor and the German allegation of it. He said that clause one of the Franco-Russian alliance signified that France could decide whether Germany or Russia was the aggressor. There was a reservation that France does not, through its military dispositions, taken in accordance with its own decision, expose herself to sanctions measures by the League guarantors, Britain and France. This reservation, both in law and in fact, was invalid, declared Herr von Ribbentrop, because it was impossible for France to foresee the attitude of the guarantor powers.

MIGHTY COMBINE

The speaker emphasised the German fear of the Franco-Soviet Pact when he declared it was small comfort for a state to receive its rights in subsequent sanctions against an aggressor named by the League when it had already been attacked by an overwhelming military coalition. He asked: "For what sanctions could hit so gaudy a coalition which reached from East Asia to the Channel? These two states are so mighty, so decisive in numbers, and particularly militarily strong factors in the League of Nations that from practical considerations sanctions against them would be unthinkable."

The German Government which signed the Locarno Pact would not have undertaken the obligations under this pact if they found themselves in circumstances involving such a burden for them alone as it has now subsequently appeared.

He continued that Germany and France through Locarno renounced force of arms in their relations one with the other, but to interpret the Pact in a manner whereby one party enters into new assistance and obligations of a military nature against another party is, in the firm conviction and juridical interpretation of the German Government, an absolute impossibility.

If such views existed at the time of the conclusion of the Lo-

carno Pact it would have been the duty of the contracting parties to draw attention to them, in which case the Locarno Pact would never have been concluded.

MILITARY EQUALITY

Herr von Ribbentrop declared that the French contention that the Franco-Russian Pact was necessary as a counterpoise for German rearmament obviously rested upon an error for the Locarno Pact stipulated the restoration of military equality between France and Germany because the concluding protocol confirmed the obligation of France as well as other nations to follow German disarmament. Because France refused to restore equality in this way Germany was compelled to achieve equality by following its own path towards the Locarno objective.

Herr von Ribbentrop added that Germany had not concluded military alliances of any sort and recalled Germany's repeated offers of pacification to France, a few of which were refused or ignored. When France ratified the Franco-Soviet alliance, Chancellor Hitler took the only possible action which restored full sovereignty to the Reich over the entire Reich area.

The German Government rejected as incorrect the unjust accusation that it unilaterally violated the Locarno Pact which was rendered null and void by France's action.

ARBITRATION PROPOSAL

Coming to the French proposal that the Franco-Soviet alliance should be submitted to arbitration to the Hague Court, Herr von Ribbentrop said that it is sufficient to point out that the problem, in addition to its purely legal side, has overwhelming political significance whose practical solution could not be effected from a Court of Law. "Still less could the German Government promise itself success in attempting to clear up the matter by negotiations with the signatory powers—I state that here with sincere regret," adding that past experience has shown that an attempt on these lines never led to a practical goal.

Turning to the future, Herr von Ribbentrop said now that the Reich's sovereignty has been extended to its whole territory and equality achieved, Germany was willing and ready to end the regrettable chapter of mistakes in the spirit of the law and confusion in Europe. With the extinction of the Locarno Pact a heavy spiritual and political burden has been removed from the German people. This German people have now only the upright wish to live in peace and friendship with its neighbours and work in reconstruction of real solidarity in Europe to the best of its powers.

FUTURE POLICY

The speaker continued that Germany was determined in the future to make her agreements with foreign nations as a fully sovereign state, free and unfettered, thereby ending Franco-German tension. In this spirit the German Chancellor made his historic and unparalleled offer for the peace of Europe and concluded that the contents and implication of the German proposals did not need comment. They were so extensive and comprehensive that every statesman with the welfare of Europe at heart can only wish to see them realised in one form or another.

Heuter.

PROCEDURE IN COUNCIL

German Delegate's Enquiries

London, Mar. 19.

Herr von Ribbentrop who is Herr Hitler's Ambassador-at-Large, arrived in London yesterday, but did not attend the meeting of the League Council which was then proceeding at St. James's Palace.

He paid a courtesy call on Mr. Eden at the House of Commons during the evening and later, at 10.30 p.m. visited the Foreign Office to enquire about Council procedure. Mr. Eden was then engaged at a meeting of the Committee of Four and Lord Cranborne, Under-Secretary received Herr von Ribbentrop and explained that the information he desired could not be given by any one delegation and at his suggestion the German delegate got into touch with Mr. Stanley Bruce, President of the League Council.

Herr von Ribbentrop was an early arrival at St. James's Palace this morning for the resumed meeting of the League Council at which a resolution is under discussion proposed on behalf of the French and Belgian Governments.

This resolution declares that the Council finds the German Government has infringed the Treaties of Versailles and Locarno and invites the Secretary General in application of Article four paragraph two of Locarno to inform at once the signatory powers of the said Treaty of the finding the Council has reached.

EARLIER PROCEEDINGS

London, Mar. 18.

The League of Nations Council met at 4 o'clock this afternoon to discuss the Franco-Belgian motion condemning Germany for the infringement of treaties and Mr. Anthony Eden, the British Foreign Minister, reiterated that an incontestable breach of the Versailles Treaty had occurred. It was therefore right that the Council should come to a conclusion and convey it to the other signatories.

The structure of security and confidence had been seriously shaken, he said. And then asked: "How is it to be reconstructed?" That could only be achieved through a fuller understanding of the things foremost in the thoughts of each nation.

Germany would surely recognise that confidence depended upon the belief in the sanctity of treaties and unilateral repudiation could only nullify the objects they envisaged.

Mr. Eden said he welcomed the wise and courageous declaration of the Belgian Prime Minister, M. Paul van Zeeland, who had asserted that despite what had happened an effort must be made to reconstruct international life.

He hoped the Council's collective wisdom might suggest a course which would secure the maintenance of peace on a foundation of respect for law. Britain, he promised, would play her full part in the organisation of security in Western Europe.

ITALIAN VIEWS

"Italy is fully conscious of its responsibilities and remains faithful to its Locarno engagements," declared Signor Dino Grandi, the Italian diplomat, in his first public declaration in the present crisis.

He added, however, it could not be expected that Italy would join in the application of measures to which the Italians themselves were subjected. He emphasised Italy's perfect understanding of France's and Belgium's legitimate anxieties.

He deplored the violation of the Locarno Pact all the more because it was made by a great power whose co-operation was essential to the maintenance of peace.

"Our duty is to see that the unity of the Locarno Powers is undivided and unweakened," asserted Signor Grandi. One incontestable clear cause of weakness was the political basis of the Locarno Pact in connection with the Italo-Ethiopian dispute. Locarno was built on the principle of solidarity of the Western Powers he concluded, and the European peace is indivisible and the methods of preserving it must be indivisible, otherwise Europe would become an armed fortress.

POLAND'S OBLIGATIONS

Colonel Josef Beck, the Polish Prime Minister, recalled that the Franco-Russian pact, like the Locarno Treaty, did not include Poland, but it had not modified Poland's obligations and rights under prior engagements.

He rejoiced that the Council was meeting in London in a characteristic British atmosphere.



Germany's case in the Rhine and Impasse was presented by Herr von Ribbentrop when he addressed the League Council meeting.

GERMAN CASE PRESENTED

Deep Impression On Audience

("Hong Kong Daily Press" Special)

London, March 19.

Germany's special ambassador, Herr von Ribbentrop's eagerly awaited speech with which the Thursday forenoon sessions of the League Council opened at 10.30 a.m. manifestly created a deep impression on the audience and is likely to exert a far-reaching influence on the future course of the negotiations.

Von Ribbentrop, who spoke in German, did not fail to stress the historic significance of this resumption in Germany's relations with the League of Nations, which so he said he sincerely trusted would mark a turning point in the history of Europe after all the trials and troubles of the disastrous post-war years.

The Reich Government, declared the speaker, had accepted the League Council's invitation with the firm intention of contributing its share to clearing the existing political situation, and he himself was convinced that a more ideal justice had never yet been advocated in the council of nations.

FRANCO-SOVIET PACT

The speaker proceeded to dwell at length on the view taken by the Reich Government of the Franco-Russian Pact, and contended that this pact was incompatible alike in letter and spirit with the system of western European security organised by the Locarno Agreement.

In the further course of his arguments von Ribbentrop pointed out that the Franco-Russian alliance implied the bringing together of two countries whose combined population totals 275 millions, that each of the contracting parties could claim to be the strongest military powers in the world at the present time, that the Franco-Russian alliance was directed exclusively against Germany and that Soviet Russia, although geographically isolated from Germany, had nevertheless by the conclusion of the military treaty with France and with Czechoslovakia indirectly pushed forward as far as the German frontier.

At 12 noon von Ribbentrop concluded his speech, which had been followed throughout with the closest of attention by the delegates and journalists. The speech was thereupon translated into English and French and the League Council then adjourned till 3 p.m. when M. Litvinoff is expected to reply to the German representative.

Transocean News Service.

Poland attached great importance to the consolidation of normal European relations, but it was essential that the interests of any country whatsoever cannot be the object of international negotiation without the participation and consent of the country concerned.

Senor Barcia of Spain and Senor Guinazu of the Argentine, promised support of the Franco-Belgian motion, while Dr. P. R. Munch, Danish Foreign Minister, said conciliation was imperative because the present conditions were paralysing to the economic life, with the imminent threat of war.

ACTION CONDEMNED

M. Nicholas Titulescu, Foreign Minister of Rumania, condemned the unilateral repudiation of treaties and declared that the safety of France was of the greatest importance to the little Entente countries. The Little Entente was willing to negotiate the German peace plan provided France and

NEW TERROR IN U.S. FLOODS

Food Shortage And Looting

New York, March 19.

Shortage of food is a new terror facing the victims of the floods in which the death toll so far is seventy. Damage is estimated at tens of millions of dollars.

Cutting off of railroad communications precludes the importation of fresh supplies of foodstuffs in the isolated districts and small stocks in the shops have been bought up at famine prices. The flooded stores were looted after destruction of the reserves of wholesale warehouses.

The floods generally show no signs of abatement. Precautions are being taken to prevent disaster when the flood waters reach the plains of the Lower Mississippi valley en route to the sea.

Pittsburg spent a night of darkness owing to absence of electric power when a large part of the city was submerged. National Guardsmen are patrolling the streets by boat. No trains are running and expresses bound for the Western States are diverted.

Motor traffic between New Jersey and Pennsylvania is at a standstill as many bridges are under water.

The Massachusetts police broadcast a warning to all persons living near the Shetucket River to flee as the local dam has burst.

Reuter.

SAVING WHITE HOUSE

Washington, March 19. Fifteen hundred workers were engaged all night long piling up sand bags and conserving the dykes in order to protect White House and Government buildings from the rapidly rising waters of the Potomac River.

Reuter's Bulletin Service.

WORLD TIN STOCKS

Situation Reviewed In London

London, March 19.

World tin stocks should be a minimum of 23,500 tons, equivalent to 15 per cent. of annual consumption (calculated at 150,000 tons) or seven weeks' requirements, opines the review on the tin situation published by Vivian Younger and Boni. This quantity should be distributed in the United Kingdom 5,000 tons, United States 6,000 tons, about 8,500 tons, Arnhem and Straits carry-over 4,000 tons.

On the basis of the present 85 per cent. quota, the production now is 1,850 tons monthly above consumption and the desired 23,500 tons stocks will be reached in mid-July. The Committee can then concentrate on balancing supply and demand which at the present rate of consumption will permit a quota of 72.

Regarding 1937 onwards, it is pointed out that if restriction breaks down, the potential world production will be about 225,000 tons annually, exceeding the consumption by 280 tons every working day.

Reuter.

CITY OF KHARTOUM DISASTER

Alexandria, Mar. 19.

The Coroner issued a verdict at the inquest into the death of twelve persons in the City of Khartoum disaster. The Coroner ruled out the suggestion that the disaster was caused by primary alterations and stated that no fuel was found in the carapeters of the plane and the cause of this was either exhaustion of the petrol supply or air lock of the petrol feed.

If the disaster was caused by breakdown of the petrol gauge then it was an act of God.

The Coroner added a rider that Imperial Airways should inform their pilots and ground officers of consumptions of its planes in unmistakable manner.

Reuter's Bulletin Service.

Belgium first received satisfaction, he declared.

Meanwhile, the German chief delegate to the League Council, Herr von Ribbentrop, arrived at Croydon from Berlin, and later paid a short visit to Mr. Anthony Eden at the Foreign Office.

Reuter.

MIDNIGHT CONFERENCE CONCLUDED

Flandin Satisfied With Locarno Discussion

London, March 19.

The midnight conference of the representatives of the four Locarno powers, Belgium, France, Italy and Britain, lasted four hours and at its conclusion there were indications that the situation of past few days had to some extent been relieved. The French Foreign Minister, M. Flandin, on leaving the meeting which was held at the Foreign Office expressed himself well satisfied with its work, and although he refused to give details he told the press that agreement in principle had been reached.

Shortly after the delegates dispersed a communique was issued in the following terms: "The Committee of Four met yesterday from 12.30 to 3.30 and this evening from 10 p.m. to 2 a.m. It examined the draft of the general agreement subject to reservations on certain items which require further examination. Notable progress has been made."

M. Flandin proposes to return to Paris early this afternoon, but before he leaves a further meeting of the Committee of Four is contemplated.

It is understood that the French Foreign Minister will immediately lay before his colleagues in Paris the proposals which have emerged in the London conversations and that the British Cabinet Ministers will also be called together to hear the report from Mr. Anthony Eden and to take decisions upon it.

Meanwhile, although many rumours are current regarding the lines upon which the Committee of Four have been working, no authoritative information is given.

British Wireless.

POINTS OF AGREEMENT

London, Mar. 19.

It is learned that three points in a draft agreement were reached by the Locarno powers. Firstly, that there be an appeal to the Hague Court for a decision in regard to compatibility of the Franco-Soviet Pact with Locarno; Secondly, that there be a demilitarised zone only on the German side of the frontier policed by an International Force; Thirdly, that there be an agreement in regard to collaboration between the British and French General Staffs.

BRITISH SCRUTINY

After the meeting of the Locarno powers, Mr. Eden, Mr. Ramsay MacDonald, Mr. Neville Chamberlain and Lord Halifax remained

Reuter.

MORE MEETINGS

London, Mar. 19.

The Locarno powers are re-assembling at the Foreign Office at 2 p.m., when the agreement will be finally settled. M. Flandin's private aeroplane is waiting at Croydon and flies to Paris immediately afterwards. He will attend the Council of Ministers at the Elysee at 9 p.m.

The afternoon's council at 3 p.m. which was adjourned after Herr von Ribbentrop's speech, is expected to be brief. There will be no speeches, but a vote on the Franco-Belgian resolution is likely. This will be followed immediately by a special meeting of the Council to consider the agreement. Another meeting of the Council is almost certain either on Saturday or Monday to consider the question of an appeal to The Hague.

Reuter.

GERMANY'S FUTURE AGREEMENTS

No Signing Under Pressure

("Hong Kong Daily Press" Special)

Leipzig, Mar. 19.

That Germany will never again agree to sign an international agreement under pressure of force was once more made definitely clear by Dr. Goebbels, Reich Minister for Propaganda, when he addressed a large election meeting at Leipzig on Wednesday evening.

"One thing is certain—we will never again put our signatures under duress. Others have done that, and that is the reason why they have become our predecessors and why we have become their successors. What we need in Germany is this: learn from the sins of the past and trust the Fuehrer completely, so that he can speak in the name of the whole nation."

"He shall not merely receive a mandate from the Reichstag on March 23, but from the entire German Nation!"

Transocean News Service.

BROADCAST CONTROL IN ABYSSINIA

("Hong Kong Daily Press" Special)

Addis Ababa, Mar. 19.

No private persons here will henceforth be authorised to listen in to radio broadcasts by virtue of a Government decree just issued which enacts that all radio sets must be surrendered by their owners without delay.

In the case of foreigners, their sets must be handed over to their respective locations for safe custody. Failure to comply with the new enactment will entail the confiscation of the sets which is a measure which is believed to have been decided upon by the Government in order to prevent rumours of all kinds which are unceasingly circulating here and especially to prevent dissemination of reports of Italian victories.

Transocean News Service.

STATE FUNERAL FOR VENIZELOS

Greek Government Decision

Athens, Mar. 19.

The Greek Government has decided to give Venizelos a state funeral and two destroyers will carry the body from France to Athens, where the body will be lying-in-State for two days, after which the body will be taken to Crete for the final burial ceremonies.

Reuter's Bulletin Service.

SINO-JAPANESE TALKS

Nanking, Mar. 19.

At the conclusion of four day informal conversations between Mr. Arita and Mr. Chang Chun with a view to facilitating satisfactory progress in future negotiations for readjusting Sino-Japanese relations a communique states that although complete agreement on all points have not yet been achieved the parties may be considered very helpful in producing a better appreciation of each other's viewpoints.

Reuter.

OVER FOURTEEN MILLION DOLLARS FOR SALARIES

(Continued from Page 7)

salary cuts are estimated to reduce the total salary bill by \$1,143,475 leaving a deficit on the year's working of \$3,446,828. Certain reductions in Public Works expenditure have been effected, which, however, are largely set off by the extra cost owing to the low dollar of the new Queen Mary Hospital, but it is anticipated that \$164,800 will be saved. Deducting this sum the net deficit is therefore \$3,282,228 for the year.

It is obvious that such a position calls for sacrifice on the part of Government officers and the only question the Government had to consider was the amount of that sacrifice.

The Colonial Secretary seconded the reading which was passed without dissent.

Other first readings of bills to amend various Ordinances, all of which were seconded by the Colonial Secretary, and passed, included:

- "A Bill to amend the Summary Offences Ordinance, 1932."
- "A Bill to amend the Stonecutters Is. and Ordinance, 1889."
- "A Bill to amend further the Companies Ordinance, 1932."
- "A Bill to regulate the Deportation of Undesirable British subjects."

BILLS PASSED

On the motion of the Attorney General, seconded by the Colonial Secretary, a bill to amend and consolidate the law relating to Telecommunication was read the second time. The following bills were read the third time and passed, on the motion of the Attorney General, seconded by the Colonial Secretary:

"A Bill to amend the law relating to the capacity, third time and passed, property and liabilities of married women and the liabilities of husbands."

"A Bill to amend the law relating to proceedings against, and contribution between, tortfeasors."

"A Bill to amend the law relating to alcoholic liquors." Third time and passed.

HON. MR. LO'S RESOLUTION

The Hon. Mr. Lo Man Kam then rose to move the following motion:

"That in the opinion of this Council the Colony cannot afford to maintain so large and costly a Civil Service as now exists, and that the Government should take immediate steps to effect all possible retrenchments in the same."

In moving his resolution the Hon. Mr. M. K. Lo said:

"Your Excellency, in rising to move the Motion which stands in my name, I crave that indulgence to a new member attempting his maiden speech, and this indulgence is all the more necessary because I fear I will have to take up some twenty minutes of this Council's valuable time in saying what I desire to say in support of this Motion."

The view asserted by the terms of my Motion is that the Colony cannot afford to maintain the existing Civil Service, and I will at once proceed to set out shortly the grounds on which this view is based.

It might have been thought at one time that one of the alleged differences between public and private finance is that, whilst in private finance outlay must be gauged and conditioned by income, in public finance the reverse is the case. In that after the expenditures are fixed it is the duty of the Legislature to provide the revenues. But this alleged difference is generally regarded as illusory and unsound because the State, like the individual, must in the long run cut its coat according to its cloth, and persistent violation of this principle must eventually entail the same consequences, alike for State and individual. I unhesitatingly accept the validity of this principle.

What, then, is the present financial position of the Colony?

The Hon. Mr. N. L. Smith, as Acting Colonial Secretary, in the course of his extremely able and lucid Budget speech on the September 12, 1935, after stating that it was anticipated that the estimated revenue for 1936 would be about a million and a half behind the 1935 revised figures, summed up the position as follows:

"As a result of all these economies the gap between Revenue and Expenditure has been con-

siderably reduced but with the dollar rate taken at 1/8d, which seems a prudent figure, there will still be a deficit, after allowing for the surplus balances as mentioned, of about \$830,000. The exact figures are Revenue \$26,671,845 plus Surplus Balances (in excess of ten million dollars) \$2,095,789—total \$28,767,634; Expenditure \$29,598,148."

MUST GO ACCORDINGLY

Pausing here I should like to state that, in my humble opinion, the normal revenue of just over twenty six and a half million dollars must be regarded as representing the cloth according to which Government must cut its coat, for I do most respectfully agree with the views recently expressed as to the inability of the Colony to stand the strain of extra taxation, and particularly by Dr. R. H. Kotewall, who spoke in the last Budget Debate as the Senior Unofficial Chinese Member of this Council, that the Colony is already taxed to capacity. If no beyond it, and any new tax-burdens may be the last straw.

I therefore take the figure of \$26,671,845 as representing the normal revenue for 1936, and the figure of just over twenty nine and a half million dollars as estimated expenditure for 1936.

The total expenditure includes the items for Military Contribution amounting to \$4,366,901.00, and for Interest on Public Debt amounting to \$1,390,231.00, making a total of \$5,757,132.00. Subtracting this sum from the total expenditure there will remain the sum of \$23,840,418.00 available for all other purposes, and it will be rather illuminating to see how much of this available surplus—which, in order to avoid undue repetition, I have called the "available expenditure"—has been absorbed by salaries. I may incidentally mention that of this available expenditure no less than \$3,297,560.00 has been earmarked for Public Works Extraordinary.

THE SALARIES' FIGURES

I have added the totals of all personal emoluments set out in the Estimates for 1936, and I find that the total comes to the sum of \$11,457,821.00. In order to get a correct picture of the amount spent on salaries in the Civil Service in relation to income one has to add at least three important items to the above sum which, staggering as it is, is not the full bill which the Colony has to pay. To begin with it must be remembered that the figures given in the 1935 Estimates are based, so far as Sterling salaries are concerned, on a 1/8d dollar. The Acting Colonial Secretary stated in his speech, above referred to, that in terms of Sterling the amount budgeted for as representing Salaries, Pensions from Crown Agents, Pensions, etc., comes to just over £750,000, and all the salary figures must be very substantially increased when the Sterling commitment is calculated at the prevailing rate of Exchange, namely, round about a 1/3d dollar. Moreover, the salary figure of nearly eleven and a half million does not include Pensions, Rent Allowances or Transport. It must of course be conceded that Rent Allowances and Transport must be included. And I submit that this applies equally to Pensions, for it is now generally accepted that a pension is in truth not a reward or gift, but rather a deferred wage, or a compensation paid to the employee for the gradual destruction of his wage-earning capacity in the course of his work. The figures for the three items mentioned above are as follows:

Pensions	\$1,810,000.00
Misc. Services	
Rent Allowances:	
Senior Officers	\$ 128,000.00
European Subordinate Officers	110,000.00
Asiatic Officers	120,000.00
Transport	475,000.00
	2,643,000.00

Therefore, if you add the total of \$2,643,000.00 to the total of \$11,457,821.00 you get the stupendous sum of \$14,100,821 as the full bill for salaries. Another way of stating this position is that out of approximately twenty three and a half million "available expenditure" (of which nearly three and a half million is earmarked for Public Works Extraordinary), the sum of over fourteen million is spent on salaries; in other words, 60% is spent on salaries, leaving the sum of just over nine and a half million to cover the whole cost of Civil Administration, including Social Services and the thousand and one items of essential public expenditure. Need I say more to show that the existing Civil Service is too costly for

the Colony to bear? Is it exaggeration of language to say that, unless this crushing burden of salaries is substantially reduced, all hopes of effecting substantial improvements in the Colony must indefinitely be relegated to the realm of fanciful dreams?

INTENTION TO RETRENCH

I am aware that Government has, year after year, expressed its intention to retrench. For instance, during the Budget Debate in 1931 His Excellency Sir William Peel said:

"When I came here, I was impressed by the large number of European staff, particularly in the subordinate grades. Steps are being taken to replace some of these gradually by local officers, though it is a step which must be taken with caution. Government is ready to give local recruits every chance, and it will be for them to prove that such confidence is not misplaced. This policy can only be followed if local recruits prove that they possess the necessary integrity and efficiency. If they fail to do this, they and the Colony cannot complain if we have to revert to the system which has obtained hitherto. The matter lies in their hands." (Hansard, page 191).

In the Budget Debate in 1934 His Excellency Sir William Peel said:

"We are, however, carrying out a scheme of a local branch of the Senior Clerical and Accounting Staff and are endeavouring to train local sanitary inspectors. Further, I hope that it may be possible to train local nursing sisters and so reduce the large number of sisters recruited from England. I propose to go into this question with my Honourable friend, the Director of Medical and Sanitary Services." (Hansard, page 187).

In the Budget Debate in 1935 the Hon. the Acting Colonial Secretary said:

"The Government has fully and frankly accepted that policy of replacing wherever possible European by Asiatic employees, but it must be evident that such a policy can show its full effect only gradually." (Hansard, page 201).

A DISAPPOINTINGLY SMALL RESULT

And, yet, what is the actual result? I must confess that if any result has been achieved it is so disappointingly small that I am quite unable to discern it! In his answers to my questions on the January 18, 1936, the Hon. the Colonial Secretary stated that the number of European Civil Servants employed rose from 647 in 1923, to 975 in 1935; that as regards the European Senior Clerical and Accounting Staff the same rose from 24 in 1923, to 63 in 1935; and that 52 additional Europeans have been employed since the date of the Retrenchment Commission Report in 1931.

May I respectfully ask what actual steps have been taken by Government to give effect to that policy, so "fully and frankly accepted by Government," of replacing wherever possible European by Asiatic employees? In this connection I would like to bring forward a case which happened to come to my knowledge a few weeks ago. A certain Chinese from Canton recently saw me in connection with his application for the post of Assistant Government Analyst, which was then vacant. His qualifications and references were unexceptionable. He duly sent in his application, but later he understood that a Sterling man from England had just embarked to fill up this post. What steps did Government take to find a suitable man locally to fill up this post before resorting to engaging a new man in England? I do respectfully press for an answer to this question, not in the interests of this particular applicant—indeed he was quite unknown to me—but because it would show the nature of the effort which Government is stated to be making in carrying out the policy of reducing the number of Sterling paid men in the financial interests of the Colony.

NURSING SYSTEM

With reference to the statement of His Excellency Sir William Peel, already quoted above, on the question of Nursing Sisters, I confess I cannot understand why His Excellency should have regarded his own proposal that local nursing sisters might be trained so as to "reduce the large number of sisters recruited from England," as a matter of mere "hope" and "possibility," in view of the fact that

Hong Kong annually produces scores of nurses qualified according to the presumably high and existing standard set by Government. In any case I venture to enquire what is the practical outcome of the deliberations between His Excellency and the Hon. the D.M.S.S.? According to the Estimates for 1936 there are fifty Nursing Sisters on the General Nursing Staff on Sterling pay which, at Exchange 1/8d, amounts to \$162,031.00. With a lower rate of Exchange, and with the stipulated annual increments, this amount must of course substantially increase year by year.

From information given to me by those who have had actual experience I know that the skill, care, solicitude, and devotion bestowed by these nursing sisters on their patients are beyond praise and cannot be measured in terms of any currency. Good nursing is indeed priceless. I gladly and gratefully record my sincere humble tribute to them. But I submit that the financial condition of the Colony renders the carrying out of Sir William Peel's project a matter not only of expediency but of urgency.

THE OTHER POSTS

I understand that the present holder of the position of Secretary to the Hon. the Director of Public Works draws over £1,000 a year. I gladly concede this gentleman's exceptional ability and that he is worth this pay. But the point is: Is it really necessary to employ such a high salaried man for this post? I may remark that this salary is higher than that now paid to many experienced professional men in the Service, such as doctors and solicitors.

Is it a fact that a Sterling man is employed as Librarian of the Library at the C.S.O., and if so is this necessary?

Is it really necessary to have so many Europeans on Sterling basis on the staff of the C.S.O.? Or, with so many Cadet Officers in that Office, to have a Chief Clerk at a salary of £1,050?

Can we really afford to have a special Sterling officer as Official Anaesthetist who, I understand, will shortly join the Medical Department? Surely if

(Continued on Page 11.)

MRS. DWIGHT W. MORROW

Lindbergh Kidnapping Case Recalled

Bruno Hauptmann, probably the most famous figure in the World to-day, was brought to mind by the arrival at the Gloucester Hotel yesterday of Mrs. Dwight W. Morrow, mother of Anne Lindbergh, who together with her husband, Col. Chas. L. Lindbergh, the first man to fly the Atlantic solo, were the victims of the most atrocious case of child kidnapping and murder, that ever shocked the world.

Mrs. Morrow, who is accompanied by her younger daughter has just arrived from Europe where the rest of the family are living in voluntary retirement following threats against the remaining Lindbergh child.

When a "Daily Press" representative called at the hotel he was informed that no interview would be allowed under any circumstances. Considering the large amount of publicity already given

LOCAL SOCCER

Curtailed Programme

Owing to combined operations between the Navy, Army, and Volunteer Defence Corps on 21st-22nd inst., all matches scheduled to be played on these dates have been cancelled, with the exception of:

- 1ST DIVISION
March 21, 1936
South China "B" v. Chinese A. A. (Caroline Hill), 4.30 p.m.
- 2ND DIVISION
March 21, 1936
Radio Sports Club v. University. (Caroline Hill), 3.00 p.m.

to the most sordid case, this is not at all surprising.

We are informed that future plans regarding their holiday are at present incomplete and the length of their stay in Hong Kong is indefinite, though it is likely to be more than a week.

Mrs. Morrow and her daughter reside in Englewood, New Jersey, U.S.A., where, it will be recalled the shocking crime took place, and are now understood to be returning to the United States.

Everybody knows the words...
they
Satisfy



They're a cheerful little earful
You'll hear where'er you go
For smokers say "They Satisfy"
And smokers ought to know

OVER FOURTEEN MILLION DOLLARS FOR SALARIES

(Continued from Page 10)

would have been much more economical to have engaged a doctor graduated from the University of Hong Kong, and to have sent him to undergo a special course of training in Anaesthetics in Europe.

THE PUBLISHED FIGURES

The published figures show that the expenses of the Medical Department rose from \$502,000 odd in 1924, to \$1,505,284 in 1934, and to \$1,651,378 in the Estimates for 1935, of which \$1,160,694 represents personal emoluments. No one can possibly have a higher admiration than I have for the services rendered by my Honourable friend the D.M.S.S., but apart from matters like the Children's Clinic, Venereal Clinics, Medical Services in the New Territories, are the medical facilities and the general medical and public health standard in the Colony improved to such an extent as to merit an extra annual expenditure of over a million dollars when the figures for 1924 and 1935 are compared? In any case, can the Colony afford it?

To what extent are the increased Hospital and other Medical facilities offered by Government made use of by those who can afford to pay reasonable charges for the same? And, to the extent indicated above, are not such facilities merely competitive with those offered by private practitioners? I venture to suggest that questions such as those indicated above should engage the immediate attention of Government.

Again, I yield to none in my admiration and respect for the Police Force, but are all the numerous Assistant Superintendents of Police really necessary? I should very much like to know how many Assistant Superintendents we had, say, fifteen years ago.

PENSION FIGURES

Then, look at the Pension figures. The amount of Pensions paid in a year rose from \$503,000 odd in 1934, to the sum of \$1,810,000 in the Estimates for 1935. I do not know whether Government has ever obtained actuarial assistance in computing the potential liability of the Colony for Pensions in respect of the existing Civil Establishment, but I shudder to think what this figure will be, say, in ten years' time, as the Pensions payable already amount to nearly \$2,000,000 a year!

In my submission what Government should do is to attempt to tackle the present financial position by business methods: in other words, by taking stock of the whole financial position and adjusting its expenditure in relation to its income, or probable income, for the present, and the years to come. To introduce the wholesale reduction in the salaries of civil servants avowedly as a temporary measure is at best a makeshift arrangement which cannot afford a final solution. It may well be too sudden or too drastic a reduction in personnel must necessarily impair to some extent the existing high efficiency of the Administration. But just as it would be suicidal for a business concern to strive to attain the ideal of efficiency without taking due heed of bankruptcy, so I submit Government must restrict its cost of Administration within the limits of the Colony's capacity to pay.

I submit therefore that Government should not engage any more persons on Sterling basis without consulting this Council; that no vacancy should be filled without similar consultation; that facilities be given to all officers recently recruited and not absolutely indispensable to leave the Service without subjecting the Colony to any liability to pensions, and that a real effort be made to utilise local talent, such as qualified doctors from the University of Hong Kong, etc. But in this connection I would like to make one suggestion.

BRIBERY MUST BE STAMPED OUT

For the sake of the reputation of the Government Service bribery or other irregular practice must be stamped out, and I venture to think that all new men employed should be engaged on the clear and distinct basis that their service is liable to be terminated if the Governor in Council, after enquiry, should be of the opinion that their continuance in office is detrimental to the interests of the Colony. Indeed, I consider that this rule should apply to the whole Service. I say this because, to my mind, and having regard to local conditions, it is quite futile to expect that, generally speaking, such evidence of bribery or corruption will be forthcoming as will secure a verdict of guilt in a Court of Law. I do not see why, when the

Government wishes to dispense with the services of an undesirable employee, there should be required, the same proof of guilt as would secure a conviction in a Court of Justice. All servants of the Government should know that they must be above suspicion of any corrupt practice, and I cannot see why they should be retained if the Governor in Council, after careful enquiry, should have reasonable grounds for thinking that such practice has been committed, even in the absence of such proof as is necessary in a Court of Justice.

I submit that the question as to what constitutes proof of guilt in a criminal prosecution, and the circumstances under which an employer should be entitled to terminate a contract of service, are entirely different, and should not be confused.

OVERSTAFFED AND OVERPAID

To my mind the Civil Service is not only overstuffed, but in many individual cases grossly overpaid, and I feel that until this fundamental defect in Administration has been remedied, it is a matter for regret that it should be necessary to call upon all the civil servants to bear a sacrifice which no doubt, works great hardship in individual cases. And this regret is all the greater when we reflect that this necessity would not have arisen this year if Government had only acceded to the unanimous and urgent businesslike request of the unofficial members—about which I understand my Honourable friend, the Senior Unofficial Member, will speak—to fix Exchange forward for all the 1935 Sterling commitments. Moreover, until this defect is remedied Government obviously is not in a position to find the necessary money for various necessary projects. For instance, malaria is still rampant in the Colony, and I would like to see half a million, or even a million, dollars devoted in one year to eradicating this disease. But salaries having absorbed over fourteen million, where is the money to come from?

I apologise for the time I have taken up this afternoon. I beg to move the Motion standing in my name, and respectfully commend it to the consideration of this Council.

SIR HENRY POLLOCK'S SPEECH

In supporting the Hon. Mr. Lo's resolution, the Hon. Sir Henry Pollock said:—

Your Excellency—I have much pleasure in seconding this motion which has the unanimous support of the Unofficial Members.

My Honourable friend, Mr. M. K. Lo, is to be congratulated upon the trouble which he has taken in looking up and presenting to this Council the illuminating figures which he has just laid before us in regard to the very large expenditure of this Colony upon the salaries and pensions of Civil Servants.

This heavy burden demands the serious attention of the Government at the present time when a marked trade depression synchronizes with an unbalanced Budget.

In my Budget speech, on the 3rd October last, speaking on behalf of all the Unofficial Members, I said (see Hansard 1935, p. 180):—

"Regarding retrenchment we are glad to learn that the Government is carefully considering whether it is necessary to fill up Posts as vacancies occur. Our Staff or Civil Servants is a very large one, even after making the fullest allowance for the fact that the Government has also to perform the duties of a Municipality. Indeed it is considered by some that we have too many Regulations in this Colony and too large a staff of Subordinate Officers fussing about and worrying people regarding the meticulous observance of the Regulations. Also the prevalent notion that Police Officers and Sanitary Inspectors acquire merit by prosecuting people is apt to render the Government unpopular and to make the man in the street consider that we could do with fewer of such Officers."

In the same debate my Honourable friend, Sir William Shenstone, recommended (Hansard p.188) "a careful survey of every branch of the Government service with a view to effecting substantial economies."

UNOFFICIALS IN AGREEMENT

In the course of his speech, in support of the motion now before the Council, the mover indicated certain directions in which he suggested that economies might be effected in various Departments, and I would like to add some remarks with which my Unofficial colleagues are in general agreement.

Firstly, in regard to the Medical Department, I notice (at pages

30 and 31 of the Staff List which has recently been printed and sent by the Government to the Unofficial Members) that no less than 7 out of the 10 European Medical Officers, connected with the Hospital Division of the Medical Department, with salaries rising from £700 to £1180 per annum, have been appointed since the 1st January, 1930. I conjecture that part of that large increase in the Hospital Medical staff is owing to the Government having, about 5 years ago, given to all Civil Servants, right up to the Governor, the privilege of free Government Medical attendance in their own homes. That privilege was formerly confined to Subordinate Officers, whilst the Senior Officers had to resort to and pay for the services of Doctors in private firms. In this connection I have been informed that the fees received by one private firm of Doctors from Senior Civil Servants in the year 1931 amounted to \$9141, but have, in the year 1935, fallen to \$2107. Whilst private practitioners are being hard hit by the above new policy of the Government, which occasions increased expense to the tax-payers of this Colony for salary, housing, leave-pay, and pensions, and, therefore, ought as a new policy to have been submitted to this Council for its approval, those practitioners are rigidly, and as we think, wrongly, excluded from every part of the Government Hospitals, except the Maternity wards of the Victoria and Kowloon Hospitals, and thus are debarred, in the majority of cases, from attending upon those of their patients who go into Government Hospitals. We urge strongly that such exclusion should be abolished. We have been informed that it is part of the policy of the Honourable the Director of Medical and Sanitary Services for the Government to take over (at the expense of the tax-payers) all the Medical Services of this Colony and to drive eventually the private practitioners out of business by the Government competing with them. We shall be glad to learn from Dr. Wellington, as a Member of this Council, whether our above information is substantially correct.

Surely it would be possible for the Government to arrange for contracts with a firm of doctors, as is done by business people now, and to save public money by so doing; the choice of doctors to be left to patients to decide.

Of course it is conceded that, owing to the increase, during recent years, of accommodation at the Kowloon Hospital, some increase in the Government Hospital Medical staff was necessary, but we contend that such increase certainly did not justify the engagement of so many as 7 additional European Doctors in the Hospital Division of the Medical Department.

PRIVATE TREATMENT

In the course of his Budget speech of the 12th September last, the Acting Colonial Secretary said (see Hansard 1935, p.165):—

"No provision, apart from one new amah, has been made for the extra staff that will be required for the new Queen Mary Hospital, as the Hospital will not be ready until 1937."

In this connection it is suggested, firstly, that a good deal of the time of the present Government Medical Officers could be saved, if people, who now go to Government Hospitals for treatment or operations but can afford to pay a private practitioner for treatment or operations, were compelled to consult private practitioners, and secondly, that, if any increase of the Government Hospital Staff is found to be necessary to staff the Queen Mary Hospital, considerable economy could be effected by the Government engaging medical graduates of the Hong Kong University on dollar salaries instead of engaging Medical Officers from Britain on expensive sterling salaries.

In conclusion I must deal with a point, which has been briefly referred to by the mover of this motion, and which is a very acute point with the Unofficial Members of this Council. In my letter to the Colonial Secretary of the 18th September last, I, as the mouthpiece of every one of the Unofficial Members, urged the Government to fix Exchange forward for all the sterling commitments of the Government for 1935. Those sterling commitments the Acting Colonial Secretary, in his Budget speech, stated to amount to £750,000 sterling. (see Hansard 1935 at p.157).

EXCHANGE SHOULD BE FIXED

In a further letter to the Government of the 25th September I, on behalf of all the Unofficial Members, urged that at least sterling Exchange should be fixed forward for all the Government's sterling commitments in 1935, other than for sterling salaries, "as being in accordance with the best commercial practice."

As sterling Exchange could have risen, or shortly afterwards, been fixed at the rate of about 2/10 the dollar, the Colony has become involved, quite unnecessarily, in a large extra expenditure to meet its sterling commitments for 1935, with the result that our Budget for this year has become badly unbalanced, instead of our being in a comparatively satisfactory financial position.

This is most regrettable, and, up to the present moment no reason has been given to us, which we regard as adequate, for that deplorable omission on the part of the Government to adopt the obviously business-like course of fixing forward sterling exchange commitments which would have materially helped the Government to balance its 1935 Budget.

Such omission on the part of the Government is all the more inexplicable, inasmuch as the Acting Colonial Secretary, in his Budget speech of the 12th September, 1935, clearly foresaw the possibility of an unbalanced Budget. (See Hansard 1935, at page 158).

We hope that the Government is not going to shelter itself behind the plea that it could not fix sterling exchange forward because it had some foreknowledge of the possibility of measures being taken by it, to establish a managed currency. In considering such a plea, it is necessary to remember that the Government are trustees for the taxpayers of this Colony, whose interests it is the Government's duty to protect by every means in its power.

SEQUEL'S DEAL WITH A BANK

It is also necessary to remember that the other party to any such Exchange transaction by the Government would be a Bank, which would at once protect itself against loss by entering into a covering contract.

When the Unofficials ask for protection for the tax-payers' money, their wishes should be met and the onus for the action laid on them.

the offer and acceptance of bribes, and accordingly many of our Ordinances and regulations are potential vehicles for bribery.

SUGGEST A RADICAL CHANGE

In these circumstances the Unofficial Members feel compelled, in the interests of the public, to suggest a radical change, namely, that no Subordinate Officials in the service, should, in future be taken on to the permanent Staff of the Colony, but that, instead, they be taken on, on agreements for terms of years, which would be renewable, at the option of the Government. Some sort of scheme for a contributory provident fund for such Officers would have to be created, in lieu of a pension.

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When the Unofficials ask for protection for the tax-payers' money, their wishes should be met and the onus for the action laid on them.

In the present instance the Government were in the extraordinarily fortunate position of the Unofficial Members of this Council unanimously volunteering to take upon their own shoulders the responsibility for the Government fixing sterling Exchange forward.

We regret being obliged to emphasize this point of fixing Exchange forward. Our reason for doing so is that it has been suggested by persons outside of this Council (in ignorance of the true facts) that the Unofficial Members were to blame for omitting to advise the Government to adopt the business-like precaution of fixing sterling Exchange forward.

And, lastly, the Unofficial Members desire me to express our sympathy with Your Excellency in having so soon after your arrival here, to deal with an unbalanced Budget, and also in being the chief sufferer from those cuts in Civil Servants' salaries which you have, so promptly, brought into force.

DR. WELLINGTON REPLIES

Replying on the medical situation the Hon. Dr. A.R. Wellington said:—

1. When making comparisons between the present medical staff and that of any 1930 or 1931 it is only fair that certain facts should be borne in mind.

(a) that the Medical Department when I arrived in 1929 was admittedly inadequate for the work it had to perform, and the first task set me was that of reorganisation of the Medical and Sanitary Services.

(b) that a twenty percent leave reserve must be allowed if officers are to get their proper quota of leave.

(c) that in a small service, although for efficiency of administration the staff is divided into branches, it is not economical to provide a 20% leave reserve for each branch but that the largest section should carry a sufficient reserve to allow of such replacements as the Malarialogist, the Bacteriologist, the Radiologist and so on.

(d) that in 1929 there was no adequate leave reserve.

2. The fact that the individual officers were appointed since 1930 does not seem to be relevant. The data of appointments does not necessarily imply the creation of a new post but ordinarily implies only that an existing vacancy was filled on that date.

The 1929 staff list shows that there were then 8 Medical Officers all but one of whom belonged to what is now the Hospital Division, and that one exception helped in hospital work when occasion demanded. The number quoted by the Hon. Member is 10 an increase of only two.

HOSPITAL DIVISION

3. The work of the hospital division includes duties in connection with:—

(a) Govt. Civil Hospital—both in-patients and outpatients.

(b) Govt. Mental Hospital.

(c) Victoria Hospital—In-patients and outpatients.

(d) Kowloon Hospital—In-patients and outpatients.

(e) Infectious Diseases Hospital.

(f) Victoria Gaol Hospital.

(g) Lai Chi Kok Prison Hospital.

(h) Kowloon Mortuary.

(i) Families of Govt. servants, Victoria.

(j) Families of Govt. servants, Kowloon.

(k) New Territories Dispensaries—six in number.

(l) Hospital at Jubilee Reservoir (Shing Mun).

4. Since 1929 there has been a considerable increase in the various activities connected with the hospital division.

(a) At the three general hospitals only the in-patients have increased from 6,844 in 1929 to 8,614 in 1935, the outpatients from 79,460 to 150,920.

(b) Work at the gaol and prison hospitals has so increased that the Supt. of Prisons has asked for a whole time Medical Officer.

(c) The number of bodies dealt with at the Kowloon Mortuary was 2,625 in 1929 and 3,107 in 1935.

In addition, 97,275 rats were examined.

(d) In the New Territories work has greatly increased there being six dispensaries instead of two, also a travelling dispensary.

(e) At Jubilee Reservoir (Shing Mun) there is a small hospital and an outpatient clinic for 8000 labourers.

DOMICILIARY TREATMENT

5. With regard to the domiciliary treatment of Government servants there has been no outstanding increase and there is now for this duty the same number of Medical Officers as there was in 1929 viz. one for Victoria Infectious Diseases Hospital and one for the Police Surgeon—and one for Kowloon who also does the prisons, the Mortuary, the New Territory and in addition is Railway Medical Officer.

6. It will be seen that the small increase of staff of the Hospital Division from eight to ten is in no way due to the change of the Government Medical Officers being allowed of senior officers being attended in their houses when such was necessary.

7. It is not therefore correct to say that a good deal of the time of the present medical officers could be saved if people who now go to Govt. Hospitals were compelled to consult private practitioners.

8. With regard to the Hon. Member's suggestion that Government should arrange for contracts with private firms of doctors for medical attendance the Government does not consider that the arrangement would be economical. The amount of time

Insist on

Gordon's

THE GIN

THAT MADE THE COCKTAIL FAMOUS

The heart of a good cocktail.

FRIDAY 20 MARCH

FRIDAY 20 MARCH

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spent over domiciliary visits is far less than the Hon. Member seems to think. This is obvious from the large amount of other work the Medical Officers for Families have to do.

9. There is no restriction on any officer's choice of doctor but Government servants are not compelled to ignore the qualifications of Government Medical Officers and seek the attention of Private Practitioners.

10. The Hon. Member has been misinformed—it is not the policy of the Director of Medical and Sanitary Services for the Government to take over (at the expense of the taxpayer) all the Medical Services of the Colony and to drive eventually the private practitioners out of business.

There are already adequate nursing homes where the private practitioners can attend their own patients.

NO DIFFERENCE

11. The custom of restricting treatment in Government Hospitals to members of the Hospital Staff does not differ materially from that in vogue elsewhere.

12. In the so called voluntary hospitals in London, if a patient chooses to resort there for treatment he must put up with treatment by one of the staff, the same applies to the Municipal Hospitals of London or Glasgow; the same applies to Hospitals in America, in Germany, in France and Italy; the same applies to Malaya.

13. With regard to the staffing of the Queen Mary Hospital, it is intended that the same system as prevails at the Government Civil Hospital shall prevail there viz.—that the work shall be divided between the Government Medical Staff and the Government Consultants who are Professors in the University. The Government Staff then as now will consist of both European Medical Officers and Chinese Medical Officers.

14. The number of Chinese Medical Officers in the service already represents 43 per cent. of the total number of qualified medical officers and this proportion will be increased.

15. I hope that the replies I have given will convince the Hon. Senior Unofficial Member that the small increase of Medical Officers from 8 to 10 is justified.

COLONIAL SECRETARY'S REPLY

Sir—I should like in the first place to congratulate the Honour-

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able Member on both the manner and the matter of his maiden speech in this Council. It was said, I think by Disraeli, that no Government can last without a strong opposition, and this Government welcomes criticism of a constructive nature, such as has been advanced in the speech to which we have just listened.

Mr. Lo's case, expressed succinctly in his own words, is "that the Colony cannot afford to maintain the existing Civil Service" and that it must "cut its coat according to its cloth." The Government would be inclined to concur, if the mover would add the proviso "in present circumstances." One is apt to be misled by metaphors and the Honourable Member seems to contemplate a static Colony, which has reached the end of its growth. It is doubtful if Mr. Lo consciously intends to put forward this view, but the view is implicit in his arguments. With this implication the Government cannot agree.

The Honourable Member takes the figure of the estimated revenue for 1936, namely \$28,871,845, which was calculated with the rate of exchange taken at 1/8d to the dollar, which revenue will, if the dollar remains at about 1/34, be increased by a sum estimated at \$1,170,000, representing the increased yield of the taxes based on

(Continued on Page 12)

OVER FOURTEEN MILLION DOLLARS FOR SALARIES

(Continued from Page 11.)

the conventional dollar, and asserts without any explanation in support that a revenue of just over \$261 million must be regarded as normal, or, as he says, as representing the cloth according to which the Government must cut its coat. It will be remembered that the revenue in 1931 was \$33,146,724, in 1932 \$33,549,716 in 1933 \$32,099,278 and in 1934 \$29,574,286. The final figures for 1935 are not yet to hand. The Government is of opinion that a figure, which, it is hoped, represents the estimated minimum revenue of the Colony at the nadir of a period of depression cannot be taken as the standard for future years.

The Government again is unable to agree that the Colony cannot, at the appropriate time, stand the strain of extra taxation. This Colony is frequently compared with Singapore, although its municipal undertakings are under the direct control of the Colonial Government. Honourable Members will remember that the assessed rate in Singapore is 22 + 2 per cent. a total of 24 per cent., in comparison with the 17 per cent. in force in this Colony, and in Singapore there is no free water allowance. The Government cannot agree that a Colony, such as Hong Kong, in which there is little direct taxation, where there is no Income Tax, where the duty on whisky and gin is one-sixth of the duty in the United Kingdom, and the duty on cigarettes proportionately even less, "is already taxed to capacity, if not beyond it."

A FUNDAMENTAL FALLACY

The Honourable Member has devoted a considerable part of his speech to an attempt to prove that because 60 per cent. of the Colony's revenue is spent on what he calls "salaries" leaving only \$9,500,000, I quote his words, "to cover the whole cost of Civil Administration including social services and the thousand and one items of essential public expenditure" therefore the existing Civil Service is too costly for the Colony to bear. Now I venture to assert that there is a fundamental fallacy in the Honourable Member's dramatic contrast of \$14,000,000 spent on salaries and nine and a half million dollars on the whole of the civil administration including social services. No such contrast in fact exists. The Honourable Member seems to imply that there is nothing to show for the large sum spent on salaries, but the salaries for the most part represent the cost of the civil administration and of the social services to which the Honourable Member refers. Take for example the legal departments the cost of which goes almost entirely in salaries—what are these but part of the cost of civil administration? Or take the Medical Department, the personal emoluments of which amount to roughly eleven out of sixteen lakhs of dollars, or the Education Department with fourteen lakhs for personal emoluments out of just under nineteen lakhs. What are these but two of the social services of the Colony? Does he include Roads, under items of essential Public Expenditure? It has been asserted that under certain modern methods of road making 25 per cent. of the cost goes in wages.

A COMPLETE "NON SEQUITUR"

The conclusion drawn by the Honourable member from his premises is a complete "non sequitur." A far better analysis of Public Expenditure is to be found in a publication entitled "An Economic Survey of the Colonial Empire (1932)" published by His Majesty's Stationery Office in 1934. The figures there given in respect of several Colonies are as follows:

	Hong Kong	F.M.S.	Straits Settlements	Kenya	Nigeria
Adminis- tration	38.00	34.4	41.4	37.0	38.1
Economic develop- ment	9.7	12.0	13.7	20.7	9.1
Ser- vices	21.5	21.5	24.5	22.17	17.8
Defence	18.9	2.8	13.3	4.45	7.2

It will be seen that the cost of administration in Hong Kong is put at 38 per cent., as against 41.4 in the Straits Settlements, 37 per cent. in Kenya and 38.1 per cent. in Nigeria. Mr. Lo will of course object that the cost of administration should be computed by his method to include various other items, but this would apply alike to the computation in respect of these other Colonies. The Government's case is that the cost of ad-

ministration in Hong Kong compares not unfavourably with that of other Colonies.

I suggest that it would be more profitable to abandon this fallacious distinction between salaries and other forms of expenditure and to consider the question of whether the taxpayer receives an adequate return for his expenditure as a whole, whether the Colony has undertaken services which it cannot afford and whether the services it provides could be provided more cheaply than at present without undue loss of efficiency. Now these are matters which the Government has always in mind. It believes that the taxpayer does receive an adequate return for his expenditure, the services it undertakes have been asked for and indeed in most cases demanded by the public and have in all cases been approved by this Council. Such services could of course be curtailed but the Honourable Member has wisely refrained from specifying the services he wishes curtailed, except for a hint that the Government is giving greater medical facilities than the Colony can afford.

THE MEDICAL SIDE

My Honourable friend the Director of Medical and Sanitary Services has replied in detail to most of the points raised by the second of the motion in connection with the Medical Establishment of the Colony. On this subject I shall confine myself to more general remarks on the points raised by the Mover of the Motion.

The Medical and Sanitary Departments have during the last few years been reorganised with what was thought to be the support, if not the encouragement, of the unofficial members of this Council, a reform which culminated in the recent legislation covering all matters of public health.

It must be remembered that in 1924 the estimated population of Hong Kong was 695,500 as against 966,341 in 1935. In 1924 the public health organisation of the Colony was considerably below that deemed normal for a first class Colony such as Hong Kong then was and still is. In 1924 there was no Government Hospital in Kowloon, which had then a population of 140,000. The only medical assistance offered by Government on the peninsula was at a small outpatients' dispensary in Nathan Road. The present Government Civil Hospital, soon to be replaced by the Queen Mary Hospital, contained two wards less than today. The Maternity block at the Victoria Hospital had not been erected. There was no Central Medical Store, no special Radiological Branch or Malaria Bureau, no Venereal Diseases Clinic, no New Territories dispensary, no Infant Welfare Centres and no school welfare service, and the Tsan Yuk Hospital was not a Government institution.

The amount of work performed by the Medical Department, that is the amount of service to the community of Hong Kong, may be gauged by the following figure showing the increase in the number of patients treated in Government Hospitals, clinics and dispensaries.

	1924	1935
Inpatients	6899	12,510
Outpatients	66,578	277,188
Vaccination	—	11,438
Operations	864	2,691

INOPPORTUNE TO QUERY

It is somewhat inopportune now to query the cost, unless the Colony is prepared to forego the services which it has till recently been demanding. In providing these services Government in no way wishes to enter into competition with private practitioners, or to provide free what can and should be paid for. A recent investigation as to the use made of the Government Hospitals by persons, other than Government servants able to afford the services of private practitioners does not support the complaint that the Government Medical service is merely entering into competition with the private practitioner. It is true that the fees charged could be raised but the Government is anxious to avoid the necessity for raising them being of opinion that the charges at present fixed are not unduly low.

The Education Department like the Medical Department has developed with the times. Honourable Members will recollect how Government was urged to proceed with the new Central British School. The Police Department, regarding which I shall speak more fully later, has had new and onerous duties thrust upon it, and an optimum policy, which we have adopted in conformity with our obligations

to the League of Nations, has at the same time diminished our revenue and swollen the population of our goals.

I now turn to the third of the questions I suggested as matters for consideration viz, whether the services rendered by the Government could be performed more cheaply without undue loss of efficiency. The Honourable Member's arguments on this point are aimed chiefly to show that the Government ought to proceed more rapidly with the replacement of an admittedly expensive European staff, more particularly in the subordinate grades, by Asiatics. Mr. Lo quotes statements by the late Governor and by the Acting Colonial Secretary. The Government stands by these statements but as the Honourable Member must realize the process is an extremely slow one. The Government has the matter constantly in mind but there is a transition period in which we now are when we still have the Europeans more or less as teachers and the non-Europeans still more or less in the capacity of pupils. This is the case in the Sanitary Department, where local Sanitary Inspectors have been and are being trained. It is also the case in the Medical Department in respect of "Nursing Sisters," but there are other reasons why it has not been found possible to reduce the number of sisters and increase the number of nurses. There is no difficulty with regard to recruiting probationers for the local nursing staff; in fact there is a large waiting list. In spite, however, of the salaries given which are higher than those offered in other institutions and in spite of the excellence of the accommodation provided the majority of nurses leave hospital soon after qualification. This exodus has been very disappointing especially to the teaching staff who have worked so hard to train the nurses and uphold the standard required. A large number of the nurses have married, some are in Government employment as public health nurses, others are engaged in private nursing.

TRAINED NURSES

It appears to be a fact that Chinese girls like their sisters in England prefer to reside in their own homes or in their own quarters, where there is more freedom than is possible in an institution where routine work under strict discipline must be maintained. Government trained nurses are in good demand outside and there is no difficulty in finding employment. The time must come when the number of trained nurses will be sufficient to satisfy all needs as is the case in England; when that happens graduates will be content to continue their careers in hospitals.

The following record shows the after history of Government trained nurses:—

Employed by Government of whom two are in Government Hospitals and four in outside clinics	16
Married	17
Employed by the Society for the Protection to Children	3
Private nursing	2
Nursing outside the Colony	2
Physically unfit	2
Died	2
Unaccounted for	2
Training for a medical degree	1
Total	47

A local branch of the Senior Clerical and Accounting Staff has been formed, but considerable difficulty has been experienced in recruiting suitable candidates from outside Government service.

INCREASE IN EFFICIENCY

Honourable Members are already familiar with the work performed by the Electrical Department of the Public Works Department in the training and employment of local staff, but they may be unaware that University trained Chinese expect salaries equal to those drawn by European Officers. Mr. Lo of course will point to the saving on passages. Leave in England, however, serves more purposes than mere recruitment of health. Many professional officers of this Government devote their leave of absence to bringing themselves up to date in their particular specialty, and increase in qualifications is reflected in increase in efficiency.

The Honourable Member refers to an application for the post of Assistant Government Analyst from a certain Chinese from Canton. On the appearance of this candidate, as his qualifications were "prima facie" satisfactory, a telegram was immediately sent to the Secretary of State for the Colonies requesting that the recruitment

of a sterling officer should be postponed. That officer had, however, already sailed. The Government Analysts do important work for the mercantile community as well as for the Government and fully qualified officers are necessary and the Government had no reason to believe that a local candidate with the necessary qualifications was available for the vacancy. In this connection I would remind the Honourable Member that one of the existing Assistant Analysts is a local appointee.

I regret to have to state that the initial experiment of employing Chinese Sub-Inspectors of Police proved unsuccessful, and that the services of the officers employed in that capacity had to be discontinued.

BRIBERY CHARGE

The mover and seconder of this motion have both referred to the subject of bribery and to the need for some change in the conditions of employment which would make it easier to dispense with an officer's service. Now, Sir, however desirable it may appear that the services of Government servants generally should be determinable at the discretion of the Governor-in-Council, the Government is bound by the Colonial Regulations covering this matter, and it is more than doubtful whether the Secretary of State for the Colonies would grant a special dispensation therefrom in the case of one Colony. Criminal proceedings as the Honourable Member points out, may not in certain cases be successful, but a difficulty exists in that if an officer were found guilty by the Governor-in-Council of an offence which is clearly criminal, he might well protest that the Government did not venture to bring the case before a Court, so that he might take his trial before a public and independent tribunal.

The seconder proposes a far-reaching change on which he will hardly expect the Government to express an opinion at a moment's notice. The Government will however give careful consideration to his proposal.

The mover points the finger of reproach at certain individual officers and certain departments. He mentions the Secretary to the Director of Public Works, whose salary is on a scale recommended by the Salaries Commission, which consisted of the then Chief Justice of this Colony together with two gentlemen who have been members of this Council. He refers to the Librarian and Chief Clerk at the Colonial Secretary's Office and asks whether the one need be a sterling paid officer and the other on a salary of £1050, in respect of the Librarian, it should be pointed out that this officer is responsible for the preparation of Government publications and their distribution, is also the storekeeper of the office and in charge of the Government printing and publishing sales department. He also performs the clerical duties in connection with the Legislative Council meetings. It is more than doubtful whether he could be efficiently replaced by an officer on a lower scale of salary.

THE CHIEF CLERK

In regard to the Chief Clerk, who is the head of the Government Clerical Staff, and to the European clerical staff of the Colonial Secretary's Office generally, it will be remembered that this Colony differs from most other Colonies by the fact that the great majority of its inhabitants and even of its locally recruited Civil Servants are not British subjects. There is a certain amount of work which in other Colonies may be undertaken by locally born British subjects, which in this Colony has to be performed by Europeans. The growing complexity of modern government is inevitably reflected in an increase of work and responsibility in the Colonial Secretary's Office.

I am glad the Honourable Members referred particularly to the proposed appointment of a ling-paid officer as official anaesthetist. He will be interested to learn that this appointment was advocated with a view to improving the facilities for the teaching of medical students at the University of Hong Kong. The great majority of these students are non-European, but to make them proficient to replace Europeans in the engagement of Europeans, as in this instance, is necessary. The appointment in question is not that of a special sterling-paid officer as official anaesthetist, but of a Medical Officer with special experience in the administration of anaesthetics to fill a vacancy in the medical establishment for a European medical officer, and it was with a view to economy combined with efficiency that the

idea of engaging a medical officer with special training in anaesthetics was conceived. Such an officer is available in the Medical Departments of the Straits Settlements and of the Federated Malay States, and the lack of a specialist in Hong Kong has laid open to serious criticism the curriculum for the instruction of students.

GROWTH IGNORED

As I said before the Honourable Member appears to ignore the growth of the Colony within recent years, a growth which I hope and expect will continue. That growth alone accounts for the increase in several departments, and to this must be added the international obligations which the Colony has had to undertake. I would mention in passing the International Convention for the Safety of Life at Sea, which has entailed an increase in the work of the Harbour Department, the Factory and Mutual legislation, which has necessitated an Inspectorate under the Secretariat for Chinese Affairs, the development of flying with its attendant increase of staff, not only under Air Services but also under Royal Observatory, the development of Wireless services, entailing more work in both the Post Office and the Public Works Department, the increase in the Volunteer Defence Corps and the inauguration of the Naval Volunteer Force. All these additional commitments have been undertaken by Government with the approval of this Council.

The Honourable Member refers to the numbers of officers in the Police. The authorised establishment fifteen years ago (in 1921) was one Captain Superintendent of Police, one Deputy Superintendent of Police, three Assistant Superintendents of Police and one probationer. The provision in the estimates for this year is for one Inspector General of Police, one Deputy Inspector General, two Divisional Superintendents of Police, two Superintendents, seven Assistant Superintendents and one probationer. It is submitted that this increase is not disproportionate to the growth of the Colony, nor is the number of Commissioned Officers excessive for a Force of over 2000 men. In this connection the Honourable Member will bear in mind that times of depression are not necessarily times in which the work of Government decreases. On the contrary such times frequently throw considerable additional work on certain Government Departments of which the Police is one, and the Treasury another.

THE PERSONNELS

The Honourable Members also quoted figures to show that the Government has not implemented its promise to retrench, particularly in the matter of European staff. He quoted the number of European Civil Servants in 1935 as 975, the number given by the Government in answer to his recent question. That figure includes, however, fifty-two European Civil Servants on dollar salaries. The total number of European Civil Servants has increased from 647 in 1923 to 975, in 1935, but the proportion of Europeans on sterling salaries to the total Civil Service in 1923 was only 9.65 and it has decreased to 9.52 in 1935. The increase in the Civil Service has been consonant with the increase in the growth of the Colony and the amount of work, municipal and otherwise which has to be performed by the Government.

The Government regrets that it has again as in the case of sterling-paid officers in 1931, found it necessary to impose a levy on the emoluments of its servants, with a view to decreasing the deficit in the Budget. As Honourable Members are aware a bill has been read a first time this afternoon in which legislative sanction is sought for the levy on salaries and in introducing the Bill the Attorney-General has set out the financial position which compelled the Government to impose the levy. The Government is taxing its own servants to meet what it hopes is a temporary emergency, and it is exploring every possible means of economy; it is at the same time considering every possible method of increasing the Colony's revenue. In addition it is considering the granting of facilities to officers to retire before the normal age limit and except where it is absolutely necessary, it is not appointing new officers for whom provision is made in the estimates or filling vacancies as they occur, or renewing the contracts of officers on a temporary basis. The Honourable Member asks that Government should not engage any more persons on a

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sterling basis without consulting this Council, and that no vacancies should be filled without similar consultation. That to a large extent represents the present practice. The annual estimates, by which the expenditure of the year is definitely limited and arranged, are submitted to this Council and in respect of any application for supplementary expenditure the approval of the Finance Committee, on which there is an unofficial majority, is almost invariably sought in the first instance.

The Honourable Member who seconded the motion suggests that an Unofficial Member should be appointed to the Appointments Board of the Senior Clerical and Accounting Service.

APPOINTMENTS COMMITTEE

It is assumed that the Honourable Member refers to the Appointments Committee which deals chiefly with promotions and with the filling of vacancies as they occur. These are matters for which the Government must accept complete responsibility. The Committee does not deal with the creation of new posts or with salaries. These matters the Government is obliged by the Constitution to refer to the Legislative Council. It does so refer them and the Legislative Council after receiving such information as it may consider necessary to justify the proposals, must share with the Government the responsibility for the creation of new posts and for any changes of salary scales. The Government feels that the Honourable Member's proposal would not prove satisfactory either to this Council or to the Government.

The mover refers briefly and the seconder at some length to the failure of the Government to exchange forward for the whole of its sterling commitments for 1936 at the time when the budget for 1936 was under consideration. Even supposing such a course had been possible the Government could not properly have taken it. The matter was very fully discussed at the time. The Government was in possession of exclusive information as to the probable course of exchange in the near future. To use that information to meet a possible budgetary deficit at an extremely critical moment for the Colony's currency when a transaction such as that suggested might have precipitated a crisis and have caused detriment to others appeared to the Officer then administering the Government and to his advisers to be little short of immoral.

INFLATED BY COMMITMENTS

The Government, Sir, is now engaged in the difficult task of keeping its expenditure within its means. Its expenditure happens at the moment to be inflated by commitments on large public works which cannot economically be curtailed and some of its revenue producing assets are at the moment unrealisable. The sudden drop in exchange has disturbed the equilibrium between revenue and expenditure but there is no reason for panic or for uneconomic retrenchment. Our major commitments should be completed by this time next year, certain of our assets which do not appear in the balance sheet should be realisable as soon as commercial prosperity revives and a cautious policy in the future should quickly restore the equilibrium. Meanwhile the Government is obliged to take unusual and I hope temporary measures to reduce the deficit in its budget and these measures include a temporary levy on salaries and work where this can be accomplished without undue loss, together with an increase in the surplus balances which have been built

up to meet just such an emergency as has now come upon us. The Government agrees with the resolution standing in the name of the Honourable Member only in so far as it refers to present circumstances. It cannot accept all the arguments advanced by Mr. Lo in support of his motion and it hopes that the Honourable Member after hearing this explanation will be content with the ventilation of a very important matter and will not press his motion to a division.

GOVERNOR'S ADDRESS

Addressing the Council, Sir Andrew Caldecott said:—

I want to thank the Honourable Member who proposed this Resolution for a most useful critical speech.

If his particular points could not have been met to the very full extent that they have been met by my Honourable colleague, the Colonial Secretary, it would of course have signified that the authorities who framed our past budgets and the Councilors who passed them were either negligent, incapable or improvident. Happily for their reputation and for the Colony's well-being the picture is not in fact so black as the Honourable Member has painted it. Its gloomy tones, I am bold to believe, are partly and largely the shadows of the dark clouds of a passing depression.

But the pragmatic value of criticism lies not in the answers given to particular points but in the general reaction which it evokes; and I can assure this Council that the Government will, so long as any rate as I am associated with it, react to Mr. Lo's two main points; firstly, that staff must be kept at the minimum compatible with efficiency; secondly, that the percentage of local recruits must be kept at the maximum so compatible.

TRUSTY WATCH-DOGS

Coming from the Straits Settlements I am already accustomed to find in the Unofficial Members on Finance Committee the trusty watch-dogs of the taxpayer; this is an important function and none the less salutary because they may occasionally be found barking up the wrong tree. But the mover of this resolution, in his two main points, is undoubtedly on the right scent and one that I have been following up myself.

Inter-Colonial comparisons are difficult. Variations in Exchange rate here, and the complexities of Municipal, Rural Board, Education Board and Hospital Board finance in the Straits Settlements make a comparison between the two Far Eastern Colonies particularly difficult. But if my calculation is correct that the Straits Settlements salaries bill, exclusive of pensions and allowances, is 48 per cent of their 1936 budget and 56 per cent of their annually recurrent expenditure, I should tell you also that their mounting pensions liability has been a matter of increasing concern to their Legislative Council, and that the ear-marking out of general surplus of a Pensions Reserve Fund has been recently mooted.

WILL CONSIDER WELL

While therefore I am not prepared to subscribe to the letter of this motion I have a grateful sympathy with its spirit, and I will say now on behalf of the Government that no vacant post on the establishment will be filled without examining the possibility of its retrenchment and that no officer will be engaged from overseas without first examining the possibility of a local recruitment.

(Continued on Page 5)

N. D. L.



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CONSIGNEE NOTICES.

NOTICE TO CONSIGNEES.

PENINSULAR AND ORIENTAL STEAM NAVIGATION CO. STEAMER "NADDERA"

ARRIVED HONG KONG ON 19TH MARCH, 1936.

FROM ANTWERP, GIBRALTAR, MARSEILLES, MALTA, PORTSAID, ADEN, COLOMBO AND STRAITS.

CONSIGNEES OF Cargo by the above-named Vessel are hereby informed that their Goods are being landed and placed at their risk in the Hong Kong and Kowloon Wharf and Godown Company's Godowns at Kowloon where each Consignment will be sorted out Mark by Mark and Delivery can be obtained as the Goods are landed.

Optional Goods will be landed here unless instructions have been given to the contrary Six Hours before arrival of the Steamer.

Goods not cleared within 8 days including date of arrival will be subject to rent.

No Fire Insurance will be effected by us in any case whatever.

Damaged Packages must be left in the Godowns for examination by the Consignees, and the Company's Surveyors, Messrs. GODDARD & DOUGLAS, at 10 a.m. on Mondays and Thursdays, within the Free Storage period.

Consignees are specially notified that it is necessary for a Revenue Officer to be present at the examination of damaged dutiable cargo.

All Claims against the Steamer must be presented to the Underinsured on or before 8th April, 1936, or they will not be recognized.

No Claims will be admitted after the Goods have left the Godown.

MACKINNON, MACKENZIE & Co., Agents.

Hong Kong, 14th March, 1936.

[4295]

NORDDEUTSCHER LLOYD, BREMEN.

THE Steamer "GOSLAR"

having arrived from BREMEN, HAMBURG and Ports, Consignees of cargo are hereby notified that their cargo is being landed at their risk into the Godowns of the Hong Kong and Kowloon Wharf and Godown Co., Ltd., Kowloon where Delivery can be obtained.

All Goods remaining undelivered after the 25th March, 1936, will be subject to Rent.

No Fire Insurance will be effected by us in any case whatever.

Damaged Packages must be left in the Godown for examination by the Consignees and the Company's Surveyors, Messrs. GODDARD & DOUGLAS, at 10 a.m. on the 24th March, 1936.

Consignees must have a Revenue Officer in attendance when damaged dutiable goods are examined by the Company's surveyors.

No Claim will be admitted after the Goods have left the Godown and all claims must be presented within Two Weeks of the Ship's arrival here, after which date they will not be recognized.

Consignees are requested to surrender their Bills of Lading to the Underinsured for Counter-signature.

MELCHERS & CO., Agents.

NORDDEUTSCHER LLOYD, BREMEN, Hong Kong, 14th March, 1936.

[4291]

REICHSMARK QUOTATIONS

("Hong Kong Daily Press" Special)

Berlin, March 18.

The Reichsmark was quoted with out guarantee at:—

NOTICE TO CONSIGNEES

PENINSULAR AND ORIENTAL STEAM NAVIGATION CO. STEAMER "BANGALORE"

ARRIVED HONG KONG ON 19TH MARCH, 1936.

FROM ANTWERP, LONDON, GIBRALTAR, MARSEILLES, MALTA, PORTSAID, ADEN, COLOMBO AND STRAITS.

CONSIGNEES OF Cargo by the above-named Vessel are hereby informed that their Goods are being landed and placed at their risk in the Hong Kong and Kowloon Wharf and Godown Company's Godowns at Kowloon, where each Consignment will be sorted out Mark by Mark and Delivery can be obtained as the Goods are landed.

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No Fire Insurance will be effected by us in any case whatever.

Damaged Packages must be left in the Godowns for examination by the Consignees, and the Company's Surveyors, Messrs. GODDARD & DOUGLAS, at 10 a.m. on Mondays and Thursdays, within the Free Storage period.

Consignees are specially notified that it is necessary for a Revenue Officer to be present at the examination of damaged dutiable cargo.

All Claims against the Steamer must be presented to the Underinsured on or before 8th April, 1936, or they will not be recognized.

No Claims will be admitted after the Goods have left the Godown.

MACKINNON, MACKENZIE & Co., Agents.

Hong Kong, 14th March, 1936.

[4294]

CONSIGNEES' NOTICE.

THE BEN LINE STEAMERS, LTD.

FROM LEITH, MIDDLESBRO', ANTWERP, LONDON AND STRAITS.

THE S.S. "BENNEVIS"

CONSIGNEES OF Cargo are hereby

informed that all Goods are being landed at their risk into the Godowns of the Hong Kong and Kowloon Wharf and Godown Co., Ltd., Kowloon where Delivery can be obtained.

All Goods remaining undelivered after the 25th March, 1936, will be subject to Rent.

No Fire Insurance will be effected by us in any case whatever.

Damaged Packages must be left in the Godown for examination by the Consignees and the Company's Surveyors, Messrs. GODDARD & DOUGLAS, at 10 a.m. on the 24th March, 1936.

Consignees must have a Revenue Officer in attendance when damaged dutiable goods are examined by the Company's surveyors.

No Claim will be admitted after the Goods have left the Godown and all claims must be presented within Two Weeks of the Ship's arrival here, after which date they will not be recognized.

Consignees are requested to surrender their Bills of Lading to the Underinsured for Counter-signature.

MELCHERS & CO., Agents.

NORDDEUTSCHER LLOYD, BREMEN, Hong Kong, 14th March, 1936.

[4293]

New York, 40.50

Paris, 609.00

Amsterdam, 59.105

London, 12.2875

Paris quoted the Pound Sterling at 74.86 to 74.90, and the U.S.A. Dollar at 15.05 to 15.05 3/9.—

Transocean News Service.

THE EXCHANGE MARKET

MESSRS. ROZA BROS.

The prices for Ready Silver was unchanged yesterday at 191. The Forward rate dropped 1/16 to 193. Silver advances reported India as having operated both ways. China sold. After the official fixing a small business was done at the fixed rate. The market was idle. In America the rate was quoted at 44 1/2 for Spot.

The London/New York cross-rate was quoted at 4.97 1/2. The New York/London rate was quoted at the same rate.

MARKET

Dull. Rates were a shade easier than yesterday.

STERLING

A small business was arranged during the course of the morning at 1/3 1/2 for July delivery. The market closed at 1 p.m. with sellers at 1/3 1/2 for March/June and 1/3 1/2 1/16 for July/August, buyers at 1/16 higher respectively.

U.S. DOLLARS

No business was reported. There were sellers at 32 11/16 for March, 32 1/2 April and probably May, buyers at 1/16 higher respectively.

SHANGHAI DOLLARS

Sellers were quoted at 108 1/2 for cash.

SHANGHAI MARKET

There were sellers of Sterling at 1/2 15/32 for Spot and U.S. Dollars at 30 for Spot.

IN THE AFTERNOON

The market was dull in the afternoon.

STERLING

In Sterling a small business was done at 1/3 13/16 for March and 1/3 1/2 for June and July. The market closed with sellers at 1/3 1/2 March/June and 1/3 11/16 July/August, buyers at 1/3 13/16 April/June and probably for March.

U.S. DOLLARS

A small business was done at 32 1/2 for cash. The market closed with sellers at 32 11/16 for March and 32 1/2 April/May, buyers at 1/16 higher respectively.

H. K. STOCK EXCHANGE

YESTERDAY'S OFFICIAL QUOTATIONS

There were very few changes to report in our market which continued steady.

BUYERS

Hong Kong Banks, \$1555. Antamoks, \$2.05. Benguet Exploration, 17 cts. United Paracales, 51 cts. Wharves, \$32. Ewo Cottons, Sh. \$84. Hotels, \$4.05. H.K. Lands, \$29. H.K. Lands 4% Debentures 100. Singapore Tractions 20/- Cements, \$74. Dairy Farms, \$20.10. Sinceres, \$1.55. Govt. 4% Loan, 4 1/2% Prem. HUMPHREYS, \$9.60.

SALES

Hong Kong Banks, \$1555. Antamoks, \$2.10. Benguet Exploration, 16 cts. Providents (old), \$1.35. H.K. Lands, \$10.65/10.75. China Lights (old), \$10.40. China Lights (new), \$74/74. Telephones (old), \$25.20. Telephones (new), \$9. Cements, \$74. Sinceres, \$14.

H.K. SHAREBROKERS' ASSOCIATION.

BUYERS

Hongkong Firs, \$245. Antamoks, \$2. Bagito Gold, 20 1/2 cts. Beng. Explorations, 18 cts. Shanghai Loans, \$2.15. Hotels, \$4.05. Ewo, \$8.20. Wing On Textiles, \$25. Providents (old), \$1.15. H.K. Docks, \$3. Lights, \$10.25. Govt. Loan 4 1/2%.

SALES

Hotels, \$4.10. Providents (old), \$1.25. Lights, \$10.45. Electric, \$53. Sales Bagito Gold, 21 cts. Hotels, \$4.10. Providents (old), \$1.25. Trams, \$10.50/80. Lights, \$10.35/40. Lights (new), \$7.25. Realities, \$4.45.

LONDON EXCHANGE RATES

(BRITISH WIRELESS SERVICE)

	March 17.	March 18.
Paris	74 55/64	75 55/64
Geneva	15.13 1/2	15.14
Berlin	12.29	12.28
Athens		
Milan	62 1/2	62 1/2
Shanghai		
New York	4.97 3/16	4.97 1/2
Amsterdam	7.28 1/2	7.28 1/2
Vienna		
Prague	119 1/2	
Bucharest		689 S.
Madrid	36 1/2	
Lisbon		
Hong Kong	29.28 1/2	29.28
Brussels	39 9/16 S.O.	
Montevideo		
Belgrade	4.97 1/2	4.97 1/2
Montreal		
Yokohama		
Helsingfors		
Rio		
Buenos Aires		
Silver (Spot)	19 1/2	19 1/2
Silver (forward)	34 1/2 108 1/2	34 1/2 108 1/2
War Loan		

Closin' Quotations

	March 19, 1936.	On New York:—
On LONDON:—		Bank Bills, on demand 32 1/2
Telegraphic Transfer, 1/3		Credits, 60 days' sight, 31 1/2
Bank Bills, on demand 7/16		On BARATIA:—
Bank Bills, 4 months' sight 1/3 9/16		On demand 48 1/2
Credits, four months' sight 1/4		On PARIS:—
On SHANGHAI:—		Bank Bills, on demand 48 1/2
On Demand 106 1/2		Credits, 4 months' sight 406
On SINGAPORE:—		On SAIGON:—
On Demand 54 1/2		On demand 47 1/2
On JAPAN:—		On MANILA:—
On demand 110 1/2		On demand 63 1/2
On INDIA:—		On BANGKOK:—
Telegraphic Transfer, 1/3 1/2		On demand 143 1/2
Bank, on demand 1/3 1/2		SOVEREIGNS, Bank Buying Rate 1/4
		BAR SILVER, per oz. 199

NEW YORK STOCK EXCHANGE

(Through Reuters Agency)

QUOTATIONS

	High	Low	Last	Today's	Change
New York: March 19.					
New York: London Cross-rate			4.97 1/2	4.97 1/2	0 1/2 off
New York Cotton—May			10.95	10.94	0 1/2 off
New York Rubber—May	16.85	15.75	16.91	16.88 1/2	0 3/4 off
Chicago Wheat—May	9 1/4	9 1/4	9 3/4	9 3/4	0 off
Chicago Corn—May	60 1/2	60 1/2	60 3/4	60 3/4	0 off
Silver—Official			44 1/2	44 1/2	unchanged

	High—1934/35	Low: Mar. 17.	Mar. 18.	Change
Dow Jones Averages				
30 Industrials	159.87	159.71	159.74	159.82 1/2
20 RAIL	51.73	51.73	51.73	46.46 off
20 UTILITIES	38.38	38.38	38.38	35.91 off
40 BONDS	103.84	103.84	103.84	102.23 1/2 off
11 COMMODITY INDEX	62.10	62.10	62.10	58.90 1/2 off

Business Done:—1,760,900 shares.

Stocks	Last Sale	Mar. 17	18	Stocks	Last Sale	Mar. 17	18
Adams Express	124	124		Goodyear Tire & R.	28	27 1/2	
Amer. Can.	123	125		G. N.thern Rly. pf.	37 1/2	38 1/2	
Amer. Cyanamid 'B'	35 1/2	36		G. Western Sugar	36 1/2	36 1/2	
Am. & For. Power	8 1/2	8 1/2		Humble Oil	74 1/2	74 1/2	
Am. & For. P. \$7 pf	38 1/2	37 1/2		Int. Nickel	50 1/2	49	
Am. Light & Trac.	21	21		Int. Tel. & Tel.	16 1/2	16 1/2	
Amer. Locomotive	31 1/2	31 1/2		Kennecott	39	38 1/2	
Amer. Radiator	21 1/2	21 1/2		Lifesavers Corp.	28 1/2	28 1/2	
Amer. Rolling Mill	30	29 1/2		Loew's Inc.	49 1/2	48 1/2	
Amer. Smelting	86 1/2	86 1/2		Lorillard	22 1/2	22 1/2	
Am. Sugar Refining	54 1/2	55 1/2		Monsanto Chemical	98 1/2	99	
Amer. Tel. & Tel.	169	168		Montgomery Ward	40	40 1/2	
Amer. Tobacco 'B'	91 1/2	91 1/2		Nat. City Bk.	35 1/2	35 1/2	
Amer. Waterworks	23	22 1/2		Nat. Dairy Prods.	24 1/2	24 1/2	
Anacosta Copper	35 1/2	34 1/2		Nat. Distillers	32 1/2	31 1/2	
Atchafalpa T. & S. Fe.	75 1/2	75 1/2		Nat. Power & Light	12	11 1/2	
Atlas Corp.	131	131		New York Central	36 1/2	35 1/2	
Auburn	50 1/2	49		North American	27 1/2	26 1/2	
Baltimore & Ohio	20 1/2	20		Northern Pacific	31 1/2	30 1/2	
Bethlehem Steel	57 1/2	56 1/2		Pacific Gas & Eec.	35 1/2	35 1/2	
Boeing Airplane Co.	24	24 1/2		Pacific Lighting	50 1/2	51 1/2	
Borden Co.	28 1/2	28 1/2		Packard Motors	11 1/2	11 1/2	
Bklyn. - Manhattan				Paramount Picture			
Trans. Corp.	49	48 1/2		Incor.	9 1/2	9	
Bklyn. - Manhattan				Pennsylvania R. R.	34 1/2	33 1/2	
\$6 cum. pf.	100 1/2	100 1/2		Phillips Petroleum	42 1/2	42 1/2	
Case, J. I.	133 1/2	130 1/2		Pub. Service of N.J.	42 1/2	42 1/2	
Canadian Pac. Rly.	13	13		Radio Corp.	12 1/2	13	
Chase Nat. Bk.	39 1/2	39 1/2		Reynolds Tob. 'B'	52 1/2	52 1/2	
Chesapeake Corp.	68 1/2	67 1/2		Schenley	48 1/2	47	
Chesapeake & Ohio	56 1/2	57 1/2		Schenley 5 1/2 pf.	100	100	
Chrysler	96 1/2	95 1/2		Sears Roebuck	62 1/2	63 1/2	
Columbia Gas & E.	18 1/2	18 1/2		Socony-Vacuum	15 1/2	15 1/2	
C. G. & E. 6 1/2 'A' pf.	97 1/2	96 1/2		Strn. Cal. Edison	25 1/2	25 1/2	
Commercial Credit	50 1/2	51		Strn. Pacific	33 1/2	33 1/2	
Coml. Solvents	21 1/2	21 1/2		Stand. Brands	102 1/2	101 1/2	
Comm. & Southern				Stand. Oil of N.J.	68 1/2	68 1/2	
(ord.)	3 1/2	3 1/2		Sterling Prods.	71 1/2	71 1/2	
Comm. & Southern				Swift International	32 1/2	32 1/2	
(ord.) \$6 cum. pf.	63	64 1/2		Technicolor	30 1/2	29 1/2	
Consolid. Gas of N.Y.	34 1/2	34 1/2		Texas Gulf Sulphur	35 1/2	35 1/2	
Consolid. Oil	14 1/2	14 1/2		Transamerica	13 1/2	13 1/2	
Continental Oil	34 1/2	34 1/2		20th Cent. Fox Film.			
Corn. Products	73 1/2	73 1/2		comm.	29 1/2	28 1/2	
Curtiss Wright (C.)	8 1/2	8 1/2		20th Cent. Fox Film.			
Curtiss Wright 'A'	19	19 1/2		pf.	36 1/2	36 1/2	
Delaware & Hudson	45	43 1/2		Un. Carbide & Car-			
Distillers Corp.				bon	84	83	
grams	25 1/2	26 1/2		Un. Pacific	133	132 1/2	
Douglas Aircraft	71 1/2	73 1/2		Un. Aircraft (New)	28 1/2	29	
Du Pont de Nemours	145	144 1/2		Un. Airline Trans.	19	18 1/2	
Electric Boat	15	14 1/2		Un. Corp.	7 1/2	7	
Elec. Bond & Share	22 1/2	22 1/2		Un. Corp.	\$3 cum.		
Elec. Bond & Share				pf.	44 1/2	44 1/2	
\$5 pf.	72	73 1/2		Un. Gas Improve-			
Elec. Bond & Share				ment	16 1/2	16 1/2	
\$6 pf.	81	83 1/2		U. S. Indus. Alcohol	51 1/2	50 1/2	
Eec. Power & Light	15 1/2	15 1/2		U.S. Rubber	26 1/2	25 1/2	
Gen. Cigar	56 1/2	57 1/2		U. S. Steel	66 1/2	64 1/2	
Gen. Electric	39 1/2	39 1/2		Vanadium	23 1/2	23 1/2	
Gen. Foods	35 1/2	35 1/2		Warner Bros. Picts.	12	11 1/2	
Gen. Motors	62 1/2	62 1/2		Westinghouse Elec.	115	113 1/2	
Gen. Rly. Signal	40 1/2	44 1/2		Call Money	1 1/2	1 1/2	
Gold Dust	21 1/2	20 1/2					

† ex. div.

† B'd

† possible mutilation

CANADIAN PACIFIC

WORLD'S GREATEST TRAVEL SYSTEM

	Hong Kong	Shanghai	Nagasaki	Kobe	Yokohama	Honolulu	Vancouver
	Leave	Leave	Leave	Leave	Leave	Leave	Arrive
E/Canada	April 3	April 5	April 8	April 11	April 14	April 17	April 22
E/Russia	April 17	April 19	April 21	April 23	April 25	April 28	May 4
E/Japan	May 1	May 3	May 6	May 8	May 11	May 14	May 19
E/Asia	May 15	May 17	May 19	May 21	May 23	May 26	June 1
E/Canada	May 29	May 31	June 3	June 5	June 8	June 11	June 17
E/Russia	June 12	June 14	June 16	June 18	June 20	June 23	June 29
E/Japan	June 26	June 28	July 1	July 3	July 6	July 9	July 14
E/Asia	July 10	July 12	July 14	July 16	July 18	July 21	July 27
E/Canada	July 24	July 26	July 29	July 31	Aug. 3	Aug. 6	Aug. 12
E/Russia	Aug. 7	Aug. 9	Aug. 11	Aug. 13	Aug. 15	Aug. 18	Aug. 24
E/Japan	Aug. 21	Aug. 23	Aug. 26	Aug. 28	Sept. 1	Sept. 4	Sept. 9
E/Asia	Sept. 4	Sept. 6	Sept. 8	Sept. 10	Sept. 12	Sept. 15	Sept. 21
E/Canada	Sept. 18	Sept. 20	Sept. 23	Sept. 25	Sept. 28	Oct. 1	Oct. 7

TO MANILA

EMPEROR OF CANADA ... Mar. 27th
EMPEROR OF RUSSIA ... Apr. 9th.

EMPEROR OF CANADA
SAILS FOR VANCOUVER VIA SHANGHAI
JAPAN & HONOLULU
AT NOON
FRIDAY, APRIL 3rd.

Full information from your own Agent or
CANADIAN PACIFIC
Telephone: Passenger 20752. GACANPAC: Passenger Dept.
Freight 20042. NAUTILUS: Freight & etc.
Canton Agents: JARDINE, MATHESON & CO. LTD.



GENERAL PASSENGER AGENTS IN THE ORIENT FOR
CUNARD WHITE STAR LINE.

SAN FRANCISCO via Shanghai, Japan Ports and Honolulu.
CHICHIU MARU ... Wednesday, 1st Apr.
TATSUTA MARU ... Wednesday, 22nd Apr.
ASAMA MARU ... Wednesday, 6th May

SEATTLE & VANCOUVER.
HIYE MARU (Starts from Kobe) Monday, 6th Apr.
HEIAN MARU (Starts from Kobe) Saturday, 25th Apr.

LONDON, MARSEILLES, ANTWERP, ROTTERDAM.
FUSHIMI MARU ... Saturday, 28th March
HAKOZAKI MARU ... Saturday, 11th Apr.
TERUKUNI MARU ... Friday, 24th Apr.

SYDNEY & MELLBOURNE via Manila and Ports.
ATSUTA MARU ... Saturday, 28th Mar.
KAMO MARU ... Saturday, 25th Apr.

BOMBAY via Singapore, Penang and Colombo.
TOYAMA MARU ... Saturday, 28th March
NAGO MARU ... Monday, 6th Apr.
TANGO MARU ... Saturday, 11th Apr.

SOUTH AMERICA (West Coast) via Japan, Honolulu, Los Angeles, Mexico and Panama.
BOKUYO MARU ... Thursday, 9th Apr.

NEW YORK via Panama.
NOTO MARU ... Tuesday, 24th Mar.
NAKO MARU ... Saturday, 7th Apr.

LIVERPOOL via Port Said, Beyrouth, Istanbul, Piraeus.
Genoa and Valencia.
LIMA MARU ... Thursday, 8th Apr.
CALCUTTA via Singapore, Penang and Rangoon.
NAGATO MARU ... Sunday, 29th Mar.
TOBA MARU ... Tuesday, 7th Apr.

SHANGHAI, KOBE & YOKOHAMA.
HAKUSAN MARU ... Friday, 27th Mar.
GINYO MARU ... Saturday, 28th Mar.
HARUNA MARU ... Friday, 10th Apr.

* Burns Philp Line, Joint Passenger Agents,
GIBB, LIVINGSTON & CO., LTD.
* Cargo only.
Tel. 30291



FRENCH MAIL STEAMERS
Sailings from Hong Kong:

To SHANGHAI — KOBE

ANDRE LEBON ... 26th Mar. 1936.
MARCEL JOFFRE ... 4th Apr. 1936.
ARABIS ... 17th Apr. 1936.
CHENONCEAUX ... 2nd May 1936.

To MARSEILLES via Saigon, Singapore, Colombo, Djibouti (Aden), Suez, Port Said.

Pres. DUMER ... 24th Mar. 1936.
ANDRE LEBON ... 10th Apr. 1936.
MARCEL JOFFRE ... 21st Apr. 1936.
ARABIS ... 5th May 1936.
CHENONCEAUX ... 18th May 1936.

We can issue Through Tickets to Egypt, Syrian Ports, East Africa, Madagascar by Transshipment on our Mail Steamers at Port Said or Djibouti.

For Full Particulars, apply to—

Cie. Des MESSAGERIES MARITIMES.

Telephone 26651.

3, Queen's Building, 13

Shipping News

Daily Statement, Clearances, Ships in Harbour, etc.

VESSELS DUE

Agencia, B. & S., March 31.
Agencia, B. & S., April 12.
Agencia, B. & S., March 24.
Agencia, B. & S., March 26.
Agencia, B. & S., March 28.
Agencia, B. & S., March 30.
Agencia, B. & S., April 1.
Agencia, B. & S., April 3.
Agencia, B. & S., April 5.
Agencia, B. & S., April 7.
Agencia, B. & S., April 9.
Agencia, B. & S., April 11.
Agencia, B. & S., April 13.
Agencia, B. & S., April 15.
Agencia, B. & S., April 17.
Agencia, B. & S., April 19.
Agencia, B. & S., April 21.
Agencia, B. & S., April 23.
Agencia, B. & S., April 25.
Agencia, B. & S., April 27.
Agencia, B. & S., April 29.
Agencia, B. & S., May 1.
Agencia, B. & S., May 3.
Agencia, B. & S., May 5.
Agencia, B. & S., May 7.
Agencia, B. & S., May 9.
Agencia, B. & S., May 11.
Agencia, B. & S., May 13.
Agencia, B. & S., May 15.
Agencia, B. & S., May 17.
Agencia, B. & S., May 19.
Agencia, B. & S., May 21.
Agencia, B. & S., May 23.
Agencia, B. & S., May 25.
Agencia, B. & S., May 27.
Agencia, B. & S., May 29.
Agencia, B. & S., June 1.

NEWS FROM THE WATERFRONT

Freight And Asiatic Passengers Returns

(BY LONGSHOREMAN)

During the 24 hours ended at 9 a.m. yesterday, the freight returns, received from the Harbour Office show a fairly high tonnage movement, a large proportion of which being made up by British ships.

The total tonnage of general cargo carried by vessels to the Colony was 6,583 tons, with British steamers carrying 3,160 tons.

Through cargo for ports beyond the Colony amounted to 13,734 tons, of which 6,536 tons were carried by British steamers.

Asiatic deck passengers entering into the Colony during the 24 hours ended at 9 a.m. yesterday were 2,378, of which 848 were from British steamers.

There were altogether eleven arrivals, of which 5 were of British registry, the remainder being of other nationalities, while of the ten departures, four were British ships, the rest being of other different countries. Particulars as follows:

Nationality	Ships	Tonnage
British	5	9,798
German	1	7,271
Dutch	1	1,070
Japanese	2	1,205
Chinese	2	1,075
Total	11	20,417

SHIPS IN HARBOUR

WHARVES
Kowloon—Naldara, Kum Sang, Empress of Asia, Sirdhana, Bennevis and Goslar.
Holt's—Clangary.
China Merchants—Hui Heng.
Osaka Shosen Kaisha—Fukuken Maru and Canton Maru.
Douglas Lapraik—Selatan.

DOCKS
Kowloon—Siljestad, Tin Yat, Javanese Prince and Agatha.
Talkoo—H. M. S. Phoenix, Tin Seng, Shantung, Luchow, Yolande, and King Yuan.

BOUYS

No. A1—Cremor
No. A2—Tajin Maru
No. A15—Nagisan Maru
No. B3—Kwei Yang
No. B4—Haldis
No. B6—Promise
No. B9—Canton
No. B10—Voo Yang
No. B11—Hellas
No. B12—New Mathilde
No. B14—Chung King
No. B17—Hermes
No. B21—Szechuen
No. C1—Gustav Diederichsen

together, however has not only resumed the payment of dividends, but very substantially strengthened its reserves in accordance with the policy followed for the last few years. The total turnover rose from 98.36 millions in 1934, to 101.60 millions in 1935, this however being no clear measure of the general situation, in as much as the world economic situation hampered foreign business. These figures must be read in conjunction with the balance totals, which in 1934 were 2663 and in 1935, 3017 millions. The total

PASSENGERS

ARRIVALS

S.S. PRES. COOLIDGE

The following passengers arrived here yesterday from Manila by the S.S. President Coolidge:

Mr. Richard P. Allen, Mr. A. Y. Asuncion, Mrs. G. H. Atkinson, Mrs. D. H. Blake, Mrs. L. L. Bowman, Mr. and Mrs. Harry Catlin, Miss Lucy Chan, Master David Chan, Mr. Cheng Lai Teng, Mr. Choy Wong Ho, Mrs. Rose Chow, Mrs. L. Culbertson, Mr. J. Cushman, Miss Dolores Del Rio, Mr. Petronio Del Rosario, Sr., Mr. and Mrs. H. Del Valle, Miss Lydia Del Valle, Mr. Dy Keng, Mr. Fong Kung, Mr. Pedro Gosoico, Mr. W. Harper, Mr. Ho Chow, Mr. Hong Chuck, Mr. George Broome King, Capt. Arthur E. La Porte, Mr. H. M. Lewis, Mr. A. Long, Mrs. Arthur MacArthur, Mr. and Mrs. Esteban Marcelo, Mr. Charles T. Mayes, Miss Carmen Nueiro, Mrs. Pan Shi, Miss M. M. Richardson, Mr. J. Ramondos, Mrs. B. E. Rokes, Mrs. Elizabeth B. Ruddy, Miss Betty Ruddy, Mrs. M. Sabater, Miss C. Sabater, Miss A. Sabater, Miss Josefina Sabater, Miss H. C. Schroeder, Mr. W. J. Shanahan, Mrs. Lim See, Mrs. Rose Tan, Miss Rose K. P. Tan, Mr. Anu Van Tok, Mr. C. H. Unbehauen, Mr. Vashdev Wallman, Mr. T. M. West, Consul and Mrs. Gaston Willoquet, Mr. Raymond Willoquet, Miss Lucette Willoquet, Miss Madeleine Willoquet, Master Maurice Willoquet, Mr. Henry Wong, Mr. Yu Su Yaw.

S.S. SIRDHANA

The following passengers arrived per S.S. "Sirdhana" on Wednesday from Calcutta via ports:

Mr. and Mrs. H. E. Davidson, Miss D. Stokoe, Mr. and Mrs. A. K. Bosanko and two children, Miss M. A. Harris, Mrs. F. C. Stokoe, Miss M. E. Best, Mrs. E. F. Harris, Mr. G. L. Scott, Mr. Chew Kim Oo, Mr. Maing Thin, Mr. A. C. Arratoon, Mr. and Mrs. Au Yeung Wan Sang and son, Miss Wong Sou Khiew, Mrs. Low Swee Wan, Miss Au Yeung Choy Yin, Mrs. Choy Low and son, Mrs. R. Brook Short, Mr. B. Zipper, Mr. Kam Kwong Tong, Mr. Lim Hoi Tin, Miss R. E. M. Bolton, Mrs. Wong Sam and two infants, Mr. G. E. Wheeler, Mr. W. C. Vardy, Mr. Lam, Mr. Oh Why Yee and infant, Mrs. Tong Ah Ng and two infants.

S.S. KAMO MARU

The following passengers arrived here yesterday by the S.S. "Kamo Maru" from Melbourne via ports:

Mr. A. O. Bacon, Mr. Albert J. Bert, Mr. J. M. Cuthbert, Mr. and Mrs. G. Gissing, Mr. Victor T. Russell, Mrs. K. E. Wilson, Mr. James B. Young, Mrs. Hazel A. Young, Mr. O. Claessens, Mr. John Jamieson, Mr. Shinnach Kolzumi, Mr. John Van Voorst, Mrs. Ruth Van Voorst.

SHIPS IN WIRELESS COMMUNICATION

The following ships are expected to be in wireless communication with Hong Kong:

Taiyo Maru, Goslar, Bennevis, Clangary, Hai Yuan, Bangalore, President Coolidge, Victoria, Empress of Britain, Cortu, President Pierce, Canton, Empress of Japan and Komo Maru.

amount of credit issued, advanced from \$29.21 in 1934, to \$89.69 million marks in 1935.



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Steamship	Tons	From Hongkong (About)	Destination
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PENINSULAR & ORIENTAL SAILINGS

CORFU	14,500	21st Mar.	Marseilles & London.
*SOMALI	9,000	28th Mar.	Mars. Havre, London, H'g.
BANCHI	17,000	4th Apr.	R'dam, A'werp, & Hull.
KIDDERPORE	8,000	8th Apr.	Marseilles & London.
NALDERA	15,000	18th Apr.	Straits, Bombay & Karachi.
*BANGALORE	7,000	2nd May	Bombay, Marseilles & London.
CARTEAGE	14,500	2nd May	Mars. Havre, London, H'g.
RAJPUTANA	17,000	16th May	R'dam, A'werp, & Hull.
*BHUTAN	8,000	33rd May	Marseilles & London.
CHITRAL	15,000	30th May	Bombay, Marseilles & London.
*BEHAR	8,000	6th June	Marseilles Havre, London, Ham-
RANPURA	17,000	13th June	burg, R'dam, Antwerp & Hull.

* Cargo only. † Calls Casablanca. ‡ Calls Tangier.
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BRITISH INDIA-APCAR SAILINGS

TALMA	10,000	29th Mar.	Singapore, Penang, Rangoon & Calcutta
SIRDHANA	8,000	11th April	
SHIRALA	8,000	25th April	
TILAWA	10,000	9th May	
SANTHA	8,000	23rd May	

* Calls Port Swettenham.

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The P. & O. Royal Mail Steamers to London and

The P. & O. Branch Service of Steamers to London via Suez.

The New Zealand Shipping Co.'s Steamers for Southampton and London via Panama Canal.

EASTERN & AUSTRALIAN SAILINGS

NANKIN	7,000	3rd Apr.	Manila, Rabaul, Brisbane, Sydney, Melbourne & Hobart
NELLORE	7,000	2nd May	
TANDA	7,000	6th June	

SAILINGS TO SHANGHAI & JAPAN

NALDERA	16,000	20th Mar.	Shanghai, Kobe & Yokohama
SHIRALA	8,000	2nd Apr.	
CARTHAGE	14,500	2nd Apr.	
NELLORE	7,000	8th Apr.	
*BHUTAN	8,000	15th Apr.	
TILAWA	10,000	18th Apr.	
RAJPUTANA	17,000	16th Apr.	

* Cargo only.

ALL DATES are approximate and subject to alteration without notice.
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M.V. "INCHANGA" ... from Calcutta 4th May ... from Colombo 10th May.

M.V. "INCOMATI" ... from Calcutta 4th June ... from Colombo 10th June.

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